

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-84)

(See instructions on reverse)

Original  
For use by Secretary of State only

## AGENCY

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

AGENCY FILE NUMBER (If any)

RDB #0494-06

OAL FILE  
NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

94-0428-01E

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

MAY - 9 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

MAY 09 1994

At 3:25 o'clock P. M.

By Barbara Conwick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Emergency Shelter Care Funding		TITLE(S)		FIRST SECTION AFFECTED		2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action		<input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY		ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER		PUBLICATION DATE	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) MPP	ADOPT
SECTIONS AFFECTED	AMEND 31-002 and 31-415
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☒ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only ☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State ☒ Effective on filing with Secretary of State ☐ Effective other (Specify)

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal

☐ Other (Specify)

## 6. CONTACT PERSON

Frank Vitulli, Assistant Chief, Regulations Development Bureau

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

DATE

4-26-94

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) (REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for reoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Section 31-002(e) to read:

31-002 DEFINITIONS (Continued)

31-002

(e) (Continued)

(2) "Emergency Assistance" means the program which supports services to families for the purpose of alleviating emergency situations that meet certain criteria as specified in the Title IV-A State Plan implementing 45 CFR 233.120.

(~~7~~3) (Continued)

(~~3~~4) (Continued)

(~~4~~5) (Continued)

(~~5~~6) (Continued)

(~~6~~7) (Continued)

(~~7~~8) (Continued)

(~~8~~9) (Continued)

(~~9~~10) (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 300, 300(c), 300(e), 306(b), 361, 11400(a), 16501(a)(3), 16501.1(f)(7), and 16503, Welfare and Institutions Code; Section 11165 et seq., Penal Code; Section 265, Civil Code; 42 USC Section 675; Section 1502, Health and Safety Code; 45 CFR 233.120.

Amend Section 31-415 to read:

31-415 EMERGENCY SHELTER CARE

31-415

- .1 Provision of emergency shelter care shall not exceed 30 calendar days in any one ~~incident~~ episode that requires removal of the child/ except as follows:
  - .11 The county shall be permitted to provide emergency shelter care beyond 30 calendar days only when the case record documents the existence of one of the following circumstances:
    - .111 Emergency shelter care is necessary to meet the continuing protective needs of the child, and there is no other location wherein these protective needs can be met.
    - .112 The child has special needs which render him/her extremely difficult to place, and there is no other location available wherein these special needs can be met.
  - .12 The circumstances permitting extension of emergency shelter care beyond 30 calendar days shall be reviewed and the extension approved in writing by an administrative official higher than a first-level supervisor.
- .2 In no event shall federal and/or state funds appropriated for the purpose of providing any of the child welfare services specified in Division 31 be provided for emergency shelter care beyond 30 calendar days in any one episode/ except as follows:
  - .21 Each county is permitted to utilize county-only funds to draw down federal financial participation under the Emergency Assistance program, with no state share of cost, in order to provide emergency shelter care beyond 30 calendar days in any one episode if:
    - .211 the child is from a needy family authorized to receive Emergency Assistance funding in accordance with provisions in the Title IV-A State Plan implementing 45 CFR 233.120; and
    - .212 the circumstances specified in Section 31-415.1 are documented in the child's case record.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 16501(a)(3), Welfare and Institutions Code and 45 CFR 233.120.



Amend Handbook Appendix to read:

45 CODE OF FEDERAL REGULATIONS

233.120 Emergency assistance to needy families with children.

(a) Requirements for State plans. A State plan under Title IV, Part A, of the Social Security Act, providing for emergency assistance to needy families with children must:

- (1) Specify the eligibility conditions imposed for the receipt of emergency assistance. These conditions may be more liberal than those applicable to other parts of the plan. (See paragraph (b)(1) of this section for scope of Federal financial participation.)
- (2) Specify if migrant workers with families will be included and, if emergency assistance will not be available to them Statewide, the part or parts of the State in which it will be provided.
- (3) Specify the emergency needs that will be met, whether mass feeding or clothing distribution are included, and the methods of providing payments, medical care, and other remedial care.
- (4) Specify which of the following services will be provided: Information, referral, counseling, securing family shelter, child care, legal services, and any other services that meet needs attributable to the emergency or unusual crisis situations.
- (5) Provide that emergency assistance will be given forthwith.

(b) Federal financial participation. Beginning with the effective date of approval of the amendment to the State plan for AFDC which provides for emergency assistance to needy families with children pursuant to section 406(e) of the Act:

- (1) Federal financial participation is available for emergency assistance to or on behalf of a needy child under the age of 21 and any other member of the household in which he is living if:
  - (i) Such child is (or, within 6 months prior to the month in which such assistance is requested, has been) living with any of the relatives specified in section 406(a)(1) of the Act in a place of residence maintained by one or more of such relatives as his or their own home,
  - (ii) Such child is without resources immediately accessible to meet his needs,
  - (iii) The emergency assistance is necessary to avoid destitution of such child or to provide living arrangements for him in a home, and

(iv) His destitution or need for living arrangements did not arise because he or such relative refused without good cause to accept employment or training for employment.

(2) The rate of Federal financial participation in expenditures during a quarter as emergency assistance in accordance with the provisions of an approved State plan is 50 percent of the total amount of such expenditures which are (i) in the form of money payments, payments in kind, or such other payments as the State agency specifies, including loans and vendor payments, or medical or remedial care recognized under State law, with respect to or on behalf of individuals described in paragraph (b)(1) of this section; (ii) for the following services provided to individuals described in paragraph (b)(1) of this section, directly by staff of the agency, or by purchase from other sources: Information, referral, counseling, securing family shelter, child care, legal services, and any other services that meet needs attributable to the emergency or unusual crisis situations.

(3) Federal matching is available only for emergency assistance which the State authorizes during one period of 30 consecutive days in any 12 consecutive months, including payments which are to meet needs which arose before such 30-day period or are for such needs as rent which extend beyond the 30-day period. Another condition for Federal participation is that the State has a reasonable method of determining the value of goods in kind or services provided for emergency assistance.

1340.15 (Continued)

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

AGENCY

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

(See instructions on reverse)

Original  
For use by Secretary of State only

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER	AGENCY FILE NUMBER (If any)	PREVIOUS REGULATORY ACTION NUMBER
	Z93-1221-04	94-0406-03C	93-1221-02E	1093-42	

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

MAY 16 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

MAY 16 1994

At 4:12 o'clock P. M.

By Robert Cornick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Food Stamps-Elderly, Blind or Disabled Aliens and Exempt Payments		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 93-1532	PUBLICATION DATE 12-31-93

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S)	ADOPT
MPP	Section 63-019
SECTIONS AFFECTED	AMEND
	Sections 63-403.1 and 63-501.3
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☐ Emergency (Gov. Code, § 11346.1(b))

☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only ☐ Other (specify) \_\_\_\_\_

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State ☒ Effective on filing with Secretary of State ☐ Effective other (Specify) \_\_\_\_\_

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal

☐ Other (Specify) \_\_\_\_\_

## 6. CONTACT PERSON

Frank Vitulli, Assistant Chief, Regulations Development Bureau

## TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson  
TYPED NAME AND TITLE OF SIGNATORY

DATE

April 1, 1994

ELOISE ANDERSON, DIRECTOR

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Adopt Section 63-019 to read:

63-019 IMPLEMENTATION OF THE MICKEY LELAND MEMORIAL  
DOMESTIC HUNGER RELIEF ACT, ELDERLY, BLIND OR  
DISABLED ALIENS WITH TEMPORARY STATUS, AND EXEMPTION  
OF RADIATION EXPOSURE COMPENSATION ACT PAYMENTS.

63-019

- .1 Effective January 1, 1994, the County Welfare Departments (CWDs) shall implement the following amended eligibility regulations for all food stamp applicants: Sections 63-403.1(i) and 63-501.3(k)(18).
- .2 Currently certified households shall be converted to the revised regulations at the time of recertification or at any time the casefile is reviewed prior to recertification.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code and  
Public Law 101-426.



Amend Section 63-403.1(i) to read:

63-403 CITIZENSHIP AND ALIEN STATUS

63-403

.1 Citizens and Eligible Aliens

CWD shall limit participation in the program to individuals who are residents of the United States and one of the following:

(a) through (h) (Continued)

- (i) An alien who is defined as aged, blind, or disabled in accordance with Section 1614(a)(1) of the Social Security Act and who is considered to be lawfully admitted for permanent or temporary residence pursuant to Section 245A(b)(1) and 245A(h) of the INA. Such aliens may obtain lawful permanent resident status under Section 245A(b)(1) of the INA no earlier than November 7, 1988. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7CFR 273.2(j)(3) and (4), 7 CFR 273.4(a)(8), 7CFR 273.10(b), 7 CFR 273.6, U.S.D.A. Food and Nutrition Service Administrative Notice 92-30, Federal Register, Vol. 56, No. 233, page 63594, and Welfare and Institutions Code Sections 10554 and 18904.

Amend Section 63-501.3(k) to read:

63-501 RESOURCE DETERMINATIONS (Continued)

63-501

.3 Exclusions from Resources

In determining the resources of a household, only the following shall be excluded:

(a) through (j) (Continued)

(k) Resources which are excluded for food stamp purposes by federal statute. The following is a listing of some of the resources excluded by federal statute:

(1) through (17) (Continued)

(18) Payments received from the Radiation Exposure Compensation Trust Fund to an individual for certain diseases attributed to radiation exposure pursuant to the Radiation Exposure Compensation Act of 1990 (Public Law 101-426). (Continued)

Authority Cited: Sections 10553, 10554, 11209 and 18904, Welfare and Institutions Code.

Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; 7 CFR 272.8(e)(17); 7 CFR 273.2(j)(4) and 7 CFR 273.8(e)(11) and (h); Public Law (P.L.) 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 101-201; P.L. 101-426, Section 6(h)(2), as specified in U.S.D.A Food and Nutrition Service Administrative Notice 91-37; P.L. 101-508, Section 11111(b); P.L. 101-624, Section 1715; P.L. 102-237, Section 905, as specified in Federal Administrative Notice 92-12, dated January 9, 1992; Section 2466d., Title 20, United States Code (U.S.C); 7 U.S.C. 2014(d); 26 U.S.C. 32(j)(5); 42 U.S.C.A. 5122 as amended by P.L. 100-707, Section 105(i); U.S.D.A. Food and Nutrition Service Administrative Notice 91-30; and Index Policy Memo 90-22, dated July 12, 1990.

**EMERGENCY**  
**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91)

(See instructions on  
reverse)Original  
For use by Secretary of State only

## AGENCY

CALIFORNIA STATE DEPARTMENT OF SOCIAL SERVICES

AGENCY FILE NUMBER (If any)

RDB #0394-03

OAL FILE  
NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

94-0519-DIE

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

MAY 24 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

MAY 24 1994

At 3:26 o'clock P. M.

By Roberta Carriock

**A. PUBLICATION OF NOTICE** (Complete for publication in Notice Register)

1. TOPIC OF NOTICE: Food Stamp Offices - Hours of Operation		TITLE(S)		FIRST SECTION AFFECTED		2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action		<input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY		ACTION ON PROPOSED NOTICE		NOTICE REGISTER NUMBER		PUBLICATION DATE	
<input type="checkbox"/> Approved as Submitted		<input type="checkbox"/> Approved as Modified		<input type="checkbox"/> Disapproved/Withdrawn			

**B. SUBMISSION OF REGULATIONS** (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) MPP	ADOPT 63-007
SECTIONS AFFECTED	AMEND 63-205
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)  
☐ Resubmittal  
☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)  
☒ Emergency (Gov. Code, § 11346.1(b))  
☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.  
☐ Print Only  
☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State  
☐ Effective on filing with Secretary of State  
☒ Effective other (Specify) 6-1-94

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399)  
☐ Fair Political Practices Commission  
☐ State Fire Marshal  
☐ Other (Specify)

## 6. CONTACT PERSON

Frank Vitulli, Asst. Chief, Regulations Development Bureau

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, DIRECTOR

DATE

May 19, 1994

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) (REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

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**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Adopt new Section 63-007 to read:

63-007 IMPLEMENTATION OF HOURS OF OPERATION REVIEW REQUIREMENT

63-007

- .1 Sections 63-205.1 and 63-205.2, as amended, shall be effective June 1, 1994.  
These amendments supersede the revisions referenced in Section 63-033.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 18902, Welfare and Institutions Code, 7 CFR 272.4(g),  
Blanco v. Anderson Court Order, United States District Court,  
Eastern District of California, No. Civ. S-93-859, dated December 16, 1993.

cr



Amend Section 63-205 to read:

63-205 LOCATION AND HOURS OF OPERATION OF CERTIFICATION AND  
ISSUANCE SERVICES

63-205

.1 Levels of Certification Services Hours of Operation

CWDs are responsible for determining the location and hours of operation of certification and issuance services available to Food Stamp applicants and participants recipients based on an assessment of their needs. Basic certification services consist of distributing and accepting applications, interviewing applicants, and accepting notices of change in household circumstances. To make this determination, CWDs shall conduct an annual review of the hours of operation of Food Stamp certification and issuance offices to ensure that the needs of recipients who work are adequately met. The results of these reviews shall be submitted to the California Department of Social Services to be retained for review by the federal Food and Nutrition Service.

.2 Levels of Issuance Services

The CWD is responsible for determining the location and hours of operation of the issuance services available to food stamp participants based on assessments of their needs.

.21 Basic certification services consist of distributing and accepting applications, interviewing applicants, and accepting notices of change in household circumstances.

.22 A wide variety of issuance methods may be used, including mail issuance, to fulfill issuance service needs.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 18902, Welfare and Institutions Code, 7 CFR 272.4(g),  
Blanco v. Anderson Court Order, United States District Court,  
Eastern District of California, No. Civ. S-93-859, dated December 16, 1993.

CF

REGULAR  
NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

AGENCY

(See instructions on  
reverse)Original  
For use by Secretary of State only

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

AGENCY FILE NUMBER (If any)

RDB # 0493-10

OAL FILE  
NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

JUN 6 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

JUN 6 1994

At 3:50 o'clock P. M.

By Robert L. Conner

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Adult Day Care Facility Special Needs		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 93, #32-2	PUBLICATION DATE 8-6-93	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) 22	ADOPT
SECTIONS AFFECTED	AMEND 82064, 82076, 82087.2 and 82088.2
	REPEAL

## 2. TYPE OF FILING

- ☒ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☐ Emergency (Gov. Code, § 11346.1(b))
- ☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

- ☐ Print Only ☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

- ☒ Effective 30th day after filing with Secretary of State ☐ Effective on filing with Secretary of State ☐ Effective other (Specify)

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

- ☐ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal
- ☐ Other (Specify)

## 6. CONTACT PERSON

Frank Vitulli, Asst. Chief, Regulations Development Bureau

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, DIRECTOR

DATE

April 22, 1994

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any....

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for reoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Section 82064(g)(8) to read:

82064 ADMINISTRATOR - QUALIFICATIONS AND DUTIES (Continued)

82064

(g) The administrator shall: (Continued)

- (8) ~~Arrange for special provisions for~~ Ensure the safety care and supervision including safety and guidance of clients with disabilities who wander, have vision or hearing impairments, or have other special needs for care and supervision.

HANDBOOK BEGINS HERE

(A) ~~Such provisions may include additional staff, safety and emergency information in braille, and lights to alert the deaf to emergency sounds.~~

HANDBOOK ENDS HERE

Authority Cited: Section 1530, Health and Safety Code.

Reference: Sections 1501 and 1531, Health and Safety Code.

Amend Section 82076(d) to read:

82076 FOOD SERVICE (Continued)

82076

- (d) A licensee who accepts a client at 7:00 a.m. or earlier shall include ~~an agreement/~~ a provision in the admission agreement of each such that client, ~~regarding provision of breakfast~~ stating whether or not breakfast will be provided by the facility.

HANDBOOK BEGINS HERE

11) ~~This requirement is not intended to require that the licensee provide breakfast/ only that the admission agreement state whether or not breakfast will be provided.~~

HANDBOOK ENDS HERE

Authority Cited: Section 1530, Health and Safety Code.

Reference: Sections 1501 and 1531, Health and Safety Code.



Amend Section 82087.2 to read:

82087.2 OUTDOOR ACTIVITY SPACE (Continued)

82087.2

(c) If outdoor activity space is not available on the premises, space meeting the requirements of Sections 82087.2(a) and (b) above shall be provided at another location, which shall be specified in the facility plan of operation, unless the facility has been granted a waiver.

Authority Cited: Section 1530, Health and Safety Code.

Reference: Sections 1501 and 1531, Health and Safety Code.

Amend Section 82088.2(a) to read:

82088.2 DRINKING WATER

82088.2

- (a) Clean drinking water from a noncontaminating fixture or container shall be readily available both indoors and outdoors to all clients at all times.

(1) Clients shall be permitted to drink water whenever they wish.

HANDBOOK BEGINS HERE

(2) Bottled water or portable containers will be allowed provided that:

(A) The water and containers are kept free of contamination.

(B) Bottled water containers are secured to prevent tipping and breaking.

HANDBOOK ENDS HERE

(3) All water used for drinking shall be potable as defined in California Administrative Code, Title 24, Part 5.

HANDBOOK BEGINS HERE

(A) Title 24, Part 5 defines potable water as water which is satisfactory for drinking, culinary and domestic purposes and meets the requirements of the health authority having jurisdiction.

HANDBOOK ENDS HERE

Authority Cited: Section 1530, Health and Safety Code.

Reference: Sections 1501 and 1531, Health and Safety Code.

# CERT

STATE OF CALIFORNIA - OFFICE OF ADMINISTRATIVE LAW  
**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91)

(See instructions on reverse)

Original  
 For use by Secretary of State only

AGENCY California Department of Social Services				AGENCY FILE NUMBER (if any) RDB#0493-13
OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER 94-0422-06C	EMERGENCY NUMBER 93-1221-04E	PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only

ENDORSED  
 APPROVED FOR FILING  
 AND PUBLICATION

JUN - 2 1994

Office of Administrative Law

NOTICE

REGULATIONS

**FILED**  
 In the office of the Secretary of State  
 of the State of California

JUN 2 1994

At 3:38 o'clock P. M.

By Roberta Lomick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Child Support Hold Harmless Regulations		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 93-1221-04E	PUBLICATION DATE 7-9-93

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

### 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) MPP	ADOPT 12-206.4 through .5
SECTIONS AFFECTED	AMEND
	REPEAL

### 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)  
☐ Resubmittal  
☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)  
☐ Emergency (Gov. Code, § 11346.1(b))  
☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only  
☐ Other (specify)

### 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

March 17, 1994 to March 31, 1994

### 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State  
☒ Effective on filing with Secretary of State  
☐ Effective other (Specify)

### 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399)  
☐ Fair Political Practices Commission  
☐ State Fire Marshal  
☐ Other (Specify)

### 6. CONTACT PERSON

Frank Vitulli, Asst. Chief, Regulations Development

### TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

ELOISE ANDERSON

DATE

April 22, 1994

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, DIRECTOR

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

.1 through .3 (Continued)

.4 The district attorney shall be paid the statutory compliance incentive rate and be exempt from corrective action and program improvement requirements of MPP Sections 12-203 and 12-204 if:

.41 The district attorney is assessed as or certified in compliance during the quarter in which a pre-conversion plan for the Statewide Automated Child Support System (SACSS) or the Automated Child Support Enforcement System (ACSES) Replacement System becomes effective, as provided by the Department, and subsequently has a finding of noncompliance under MPP Section 12-202 during the hold harmless eligibility period, as defined in MPP Section 12-206.411; or, the district attorney is assessed as or certified in compliance during any quarter in the hold harmless eligibility period and subsequently has a finding of noncompliance under MPP Section 12-202 during the hold harmless eligibility period.

.411 The hold harmless eligibility period is a temporary time period, during which the district attorney is preparing for and converting to the SACSS or the ACSES Replacement System.

(a) The hold harmless eligibility period shall start the date that pre-conversion activities actually begin as specified in the district attorney's approved pre-conversion plan or a maximum of 18 months prior to the scheduled conversion completion date, whichever is less, and shall end on the date that the district attorney is scheduled to complete conversion to the automated system.

.412 If there is a delay to the scheduled conversion completion date due to a state and/or vendor problem that is beyond the county's control, the Department shall extend the hold harmless eligibility period when the need for a significant level of staff resources continues to exist.

(a) The pre-conversion plan shall be modified to reflect the extended period and the district attorney shall be notified accordingly.

.413 The district attorney's pre-conversion plan must contain at least the following elements:

(a) All anticipated pre-conversion tasks.

(b) The projected beginning and ending dates of each task.

(c) The estimated staff resources required to complete each task.



- .414 If the CDSS determines, through quarterly assessments, that a district attorney has failed to perform the specified pre-conversion tasks, the district attorney shall be disqualified from eligibility for hold harmless at the start of the quarter following the determination.
- .415 Sixty (60) days after the end of the hold harmless eligibility period, the district attorney is entitled to the statutory base incentive rate in the following month.
- (a) The district attorney shall develop and submit a program improvement report within the 60 days following the end of the hold harmless eligibility period, as specified in MPP Sections 12-203 and 12-204.
- .416 If there is a finding of non-compliance from the federal government or a court-mandated corrective action during the hold harmless eligibility period, the district attorney is not exempt from any applicable corrective actions required.
- .5 District attorneys that are paid the statutory compliance incentive rate pursuant to MPP Section 12-206.4, are not eligible for performance evaluation under MPP Section 12-207 and are not entitled to any statutory performance rate incentives.

Authority Cited: Sections 10553, 10554, 11475, and 11479.5, Welfare and Institutions Code.

Reference: Sections 15200.8, 15200.8(b)(1), 15200.85, and 15200.9, Welfare and Institutions Code.

# EMERGENCY

STATE OF CALIFORNIA OFFICE OF ADMINISTRATIVE LAW  
NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

AGENCY

California Department of Social Services

(See instructions on reverse)

For use by Secretary of State only

OAL FILE NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

AGENCY FILE NUMBER (if any)

0294-02

PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

JUN 9 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

JUN 9 1994

At 3:49 o'clock P.M.

By Roberta Cornick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Interstate Compact on the Placement of Children Revisions		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)	
TITLE(S) 22	ADOPT
SECTIONS AFFECTED	AMEND 35400 and 35409 (b)
	REPEAL

### 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☒ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only ☐ Other (specify)

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

Not Applicable

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State ☒ Effective on filing with Secretary of State ☐ Effective other (Specify)

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal

☐ Other (Specify)

6. CONTACT PERSON

Frank Vitulli, Chief, Regulations Development

TELEPHONE NUMBER

(916) 657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson, Director

DATE

JUN 01 1994

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Sections 35400(c), (i), (p), (r), and (s) to read:

ARTICLE 1: DEFINITIONS AND CONDITIONS

35400 DEFINITIONS

35400

(a) (1) (Continued)

(b) (Reserved)

(c) (1) "California Agency" means a ~~an~~ §CDSS Adoptions district office or a licensed public or private adoption agency.

(2) "CDSS" means the California Department of Social Services.

(d) (Reserved)

(e) (Reserved)

(f) (Reserved)

(g) (Reserved)

(h) (Reserved)

(i) (1) "ICPC" means Interstate Compact on the Placement of Children.

(2) "ICPC 100A (Rev. 10/91)" means the §CDSS form "Interstate Compact Placement Request."

(3) "ICPC 100B (Rev. 10/91)" means the §CDSS form "Interstate Compact Report on Child's Placement Status."

(j) (Reserved)

(k) (Reserved)

(l) (Reserved)

(m) (Reserved)

(n) (Reserved)

(o) (Reserved)

(p) (1) (Continued)

(2) (Continued)

(3) "Prospective Adoptive Parent" is defined at ~~Civil~~ Family Code Section ~~220/20/0~~ 8542.

HANDBOOK BEGINS HERE

ANY THE CONTENT OF CIVIL CODE SECTION 220/2010Y IS LOCATED AT  
SECTION 35000(P)(6)Y

HANDBOOK ENDS HERE

~~(A) The content of Family Code Section 8542 is located at Section  
35000(p)(6).~~

(q) (Reserved)

(r) (1) (Continued)

(2) "Receiving Agency in the Relinquishment Adoptions Program" means a licensed adoption agency or §CDSS Adoptions district office that is designated to receive any child from another party state for the purpose of adoption.

(s) ANY §5055Y means the State Department of Social Services.

(Z1) "Sending Agency in the Independent Adoptions Program" means the birth parent(s) who sends, brings, or causes to be sent or brought any child to another party state for the purpose of adoption.

(Z2) "Sending Agency in the Relinquishment Adoptions Program" means a licensed adoption agency or §CDSS Adoptions District Office that sends, brings, or causes to be sent or brought any child to another party state for the purpose of adoption.

(3) "Sending State in the Independent Adoptions Program" means the state of residence of the birth parent placing a child for adoption in California. The child being placed is deemed to have been brought into California from the sending State regardless of the child's place of birth, including California.

(t) (Reserved)

(u) (Reserved)

(v) (Reserved)

(w) (Reserved)

(x) (Reserved)

(y) (Reserved)

(z) (Reserved)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 16100, Welfare and Institutions Code; Section 1502, Health and Safety Code; and Section 265 7900, ~~Civil~~ Family Code.

Amend Sections 35409(b)(1) and (b)(1)(A) to read:

35409 CHILDREN ENTERING CALIFORNIA

35409

(a) (Continued)

(b) Before a child is permitted to enter California, the prospective adoptive parent(s) must either:

(1) Have a preplacement interview completed by an §CDSS Adoptions district office or an adoption agency delegated responsibility by the §CDSS for making studies and reports to the court on independent adoptions; or

(A) If the child is unborn and placement is planned shortly after birth, the California agency shall be notified of the proposed placement at least 30 days prior to the expected birth to allow time for the preplacement interview regardless of whether the place of expected birth is within California.

(B) Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 16100, Welfare and Institutions Code and Sections 220/20/4/ 220/20/6/ 224/20/ 224/30/ 265/ and 267 Civil 7901, 7903, and 8801, Family Code.



## NOTICE OF PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

Original  
For use by Secretary of State only

STD. 400 (REV. 2-91)

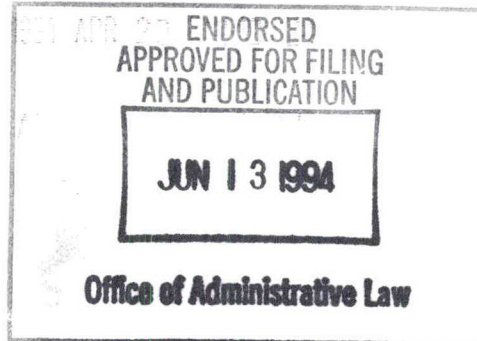
## AGENCY

California Department of Social Services

AGENCY FILE NUMBER (if any)  
RDB# 1093-43

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER	PREVIOUS REGULATORY ACTION NUMBER
	Z93-1221-04	94-0429-DIC	93-1221-05E	

For use by Office of Administrative Law (OAL) only



NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

JUN 13 1994

At 3:41 o'clock P. M.

By Rita J. Kover

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE GAIN Reform		TITLE(S)		FIRST SECTION AFFECTED		2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER			
OAL USE ONLY <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 93-1532		PUBLICATION DATE 12-31-93			

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S)	ADOPT 42-775
SECTIONS AFFECTED	AMEND 22-022; 42-710; 42-730; 42-750; 42-751; 42-760; 42-761; 42-781; 42-784; 42-786; 42-787
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)
 ☐ Resubmittal
 ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)
 ☐ Emergency (Gov. Code, § 11346.1(b))

☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only
 ☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

March 28, 1994 through April 12, 1994

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State
 ☒ Effective on filing with Secretary of State
 ☐ Effective other (Specify)
 

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399)
 ☐ Fair Political Practices Commission
 ☐ State Fire Marshal
 ☐ Other (Specify)
 

## 6. CONTACT PERSON

Frank Vitulli, Assistant Chief, Regulations Development

## TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

Eloise Anderson, Director

DATE

APR 26 1994

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

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**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

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"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for reoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Section 22-022.5 to read:

22-022 TIMELY NOTICE - AID PENDING HEARING (Continued)

22-022

- .5 Except as provided in Sections 22-054.1, 22-022.6, 22-023.122 and 41-440.12(i), when the claimant files a request for a state hearing prior to the effective date of the notice of action, which is subject to Section 22-022.1, aid shall be continued in the amount that the claimant would have been paid if the proposed action were not to be taken, provided the claimant does not voluntarily and knowingly waive aid. This section shall not apply to Greater Avenues for Independence (GAIN) supportive services payments (see Section 42-750.12). In the Food Stamp Program, benefits shall be continued on the basis authorized immediately prior to the notice of adverse action. (Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10613, 11209, and 11511(a), Welfare and Institutions Code; 45 CFR 205.10; 45 CFR 255.2(h)(2); 45 CFR 256.2(c); and 45 CFR 256.4(d).

Amend Section 42-710 to read:

42-710 INTRODUCTION TO GAIN (Continued)

42-710

.3 Definitions for Terms Used in This Chapter (Continued)

(k) "Participant" means a mandatory or voluntary registrant who is participating in GAIN. (Continued)

(r) "CDSS" means the California Department of Social Services. (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11320, 11320.2, 11320.4, 11320.6, 11320.8, 11321, 11321.2, 11321.4, 11321.6, 11321.8, 11322, 11322.2, 11322.4, 11322.6, 11322.8, 11323, 11323.1, 11323.15, 11323.2, 11323.4, 11323.6, 11323.8, 11324, 11324.2, 11324.4, 11324.6, 11324.8, 11325, 11325.2, 11325.4, 11325.6, 11326, 11326.2, 11326.4, 11326.6, 11326.8, 11327, 11327.2, 11327.4, 11327.5, 11327.6, 11327.8, 11328, 11328.1, 11328.2, 11328.4, 11328.6, 11328.8, 11329, 11329.2, 11329.4, 11329.5, and 13280, Welfare and Institutions Code.

Amend Section 42-730 to read:

42-730 GAIN JOB, TRAINING, AND EDUCATION SERVICES

42-730

- .1 The CWD may provide job, training, and education services directly to program participants, or by referral to services provided by the PIC. The CWD also shall enter into contracts or interagency agreements as specified in Sections 42-740, 42-741, and 42-742 with private or public agencies for the provision of these services when not provided directly by the CWD. The CWD shall be responsible for receiving and resolving complaints regarding displacement as described in .13 and .329 below. (Continued)
- .13 An employment or training program position, other than a PREP position (see Section 42-730.329), may not be created as a result of, or may not result in, any of the following:
  - .131 Displacement, or partial displacement, of current employees, including, but not limited to, a reduction in regular work hours and overtime hours, wages or employment benefits. (Continued)
- .3 Training services shall include: (Continued)
  - .32 Preemployment Preparation (PREP) (Continued)
    - .328 Time worked in public agency PREP positions shall apply toward the participant's seniority in the merit public agency positions only if permitted under state or federal law, local ordinance or applicable collective bargaining agreements.
    - .329 A PREP position may not be created as the result of, or may not result in, any of the following:
      - (a) Displacement, or partial displacement, of current employees, including, but not limited to, a reduction in regular work hours and overtime hours, wages or employment benefits. (Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Section 11322.6(f), ~~11322.6(f)(2)~~ 11322.8(h)(6), 11323, 11323.15, 11324.2(a)(2), 11324.4(b), 11324.6, and 11330.7, Welfare and Institutions Code; 45 CFR 250.60(c) and (d); 45 CFR 250.62(b)(2); and 45 CFR 251.3(a).

Renumber Section 42-750.7 to Section 42-750.12 and amend Section 42-750 to read:

42-750 SUPPORTIVE SERVICES

42-750

- .1 Supportive services shall be provided to GAIN registrants to enable them to participate in GAIN activities or to accept employment opportunities. Child care supportive services shall also be provided for children of Indian Tribal JOBS Program participants. As specified in Section 42-782.1(g) or 42-783.1(k), participation shall not be required if the needed services are not available, not arranged, or are insufficient to meet the participant's needs. (Continued)
- .12 When a participant requests a hearing within the period of timely notification (see Section 22-022.5) to appeal a suspension, reduction or termination of GAIN supportive services or a change in the method of providing such services, the participant shall not be entitled to a continuation of GAIN supportive services in the same amount or form pending the hearing decision. The participant shall be entitled to supportive services only at the level and in the form authorized by the county action under appeal. (Continued)
- .4 Reasonable transportation costs shall be paid for every participant to and from his or her GAIN assignment, including transportation to and from the child care provider, and transportation for children to and from child care.
- .41 Regional market rates for transportation shall be determined as follows: (Continued)
  - .416 Participants who are in approved on-the-job training, grant diversion, supported work, or transitional employment assignments and who continue to receive an AFDC grant shall be eligible for transportation expense payments in accordance with Section 42-750.7.
- .5 Ancillary expenses shall be paid when necessary to participate in approved GAIN activities or to accept employment opportunities. These expenses shall include books, tools, clothing, fees, and other necessary costs of a work, education or training assignment. (Continued)
  - .55 Participants who are in approved on-the-job training, grant diversion, supported work, or transitional employment assignments and who continue to receive an AFDC grant shall be eligible for ancillary expense payments in accordance with Section 42-750.7. (Continued)
- .7 Participants who are in on-the-job training, grant diversion, supported work, or transitional employment assignments and who continue to receive an AFDC grant shall be eligible for transportation and ancillary expense payments in accordance with Sections 42-750.4 and .5 for the duration of his/her assignment, to the extent the need for transportation and ancillary expense payments exceed the AFDC standard work expense disregard as specified in Section 44-113.214.



.71 The CWD shall determine the amount of the transportation and/or ancillary expense payment based on a calculation of the amount of transportation and/or ancillary expense payment requested by the participant and approved by the CWD minus the standard work expense disregard.

.711 The CWD shall apply the standard work expense disregard when the earnings are equal to or in excess of the disregard amount. The CWD shall apply the actual amount of earnings, rounded to the next lower dollar, when the earnings are less than the standard work expense disregard.

(a) For purposes of the calculation described in Sections 42-750.71 and .711 and in the absence of a monthly eligibility report, the CWD shall use an estimate of monthly earnings provided by the participant.

(1) The calculations specified in Section 42-750.711 and 42-750.711(a) shall apply to advance payments and reimbursements.

HANDBOOK BEGINS HERE

(b) The participant has requested a \$50 transportation expense payment for May. The participant indicates that the earnings posted on the monthly eligibility report will be \$40. Based on the estimated earnings, the CWD reduces the GAIN transportation expense payment by \$40. The GAIN transportation payment will be \$10.

Monthly eligibility report earnings	\$40
-------------------------------------	------

GAIN transportation expense payment request	\$50
---	------

Work expense disregard	-\$40
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GAIN transportation expense payment	=\$10
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(c) The participant requests a \$50 transportation expense payment in July. The participant specifies that the monthly eligibility report for July will show earnings of \$100. Based on the estimated earnings the GAIN transportation expense payment is \$0. In August, the county receives the July monthly eligibility report with earnings of \$100.

Monthly eligibility report earnings	\$100
GAIN transportation expense payment request	\$ 50
Work expense disregard	-\$ 90
GAIN transportation expense payment	=\$ 0

# HANDBOOK ENDS HERE

- .712 The CWD shall inform the participant prior to the beginning of the assignment of the procedures specified in Section 42-750.7.
- .713 The CWD shall notify the participant of any changes to existing supportive services payments as specified in Section 42-750.8.
- .714 Transportation and/or ancillary expense payments subject to the procedures specified in Sections 42-750.7 and .711 shall include on-going expenses necessary for participation in an on-the-job training, grant diversion, supported work, or transitional employment assignment.
  - (a) On-going transportation expenses shall include, but are not limited to, gasoline expenses, public transportation costs, and monthly parking fees.
  - (b) On-going ancillary expenses shall include but are not limited to, monthly training supplies costs.
- .715 One-time transportation and/or ancillary expenses payments shall not be subject to the procedures specified in Sections 42-750.7 and .711.
  - (a) One-time transportation and/or ancillary expense payments shall be determined in accordance with Sections 42-750.4 and .5.
  - (b) One-time transportation expenses shall include but are not limited to, transportation costs necessary to accept employment in the first month of the assignment; this will include necessary transportation expenses prior to receipt of the first pay check.
  - (c) One-time ancillary expenses shall include, but are not limited to, drivers license fees, books, and clothing specific to the assignment.
  - (d) One-time transportation and/or ancillary expenses that recur during a subsequent assignment may be approved for payment as specified in Sections 42-750.4 and .5.
- .716 In a month in which a transportation expense payment, as specified in Section 42-750.4 and an ancillary expense payment, as specified in Section 42-750.5 are requested, the CWD shall apply the work expense disregard one time to the combination of the requested expenses.

HANDBOOK BEGINS HERE

- (a) The participant requests a \$100 on-going transportation expense payment and a \$20 on-going ancillary expense payment for May. The CWD adjusts the supportive services payments for May based on the participant's estimated earnings for May of \$95. Because the estimated earnings exceed the standard work expense disregard, the CWD reduces the combined supportive services request (\$120) by the standard work expense disregard. The CWD then owes the difference of \$30 to the participant. The participant requests that the \$30 be applied to the transportation expense payment.

Estimated earnings	\$ 95
Transportation expense request	\$100
Ancillary expense request	+ 20
	=\$120
Work expense disregard	- 90
GAIN transportation payment	=\$ 30

HANDBOOK ENDS HERE

.717 In a month in which an on-going transportation and/or ancillary expense payment is advanced or reimbursed to the participant based on an estimate of earnings and the payment exceeds the amount the participant is entitled to receive as specified in Sections 42-750.7 and .711, the CWD shall adjust the subsequent month's transportation and/or ancillary expense payment(s) to recover the excess amount paid.

- (a) The CWD shall notify the participant of the adjustment to future transportation and/or ancillary expense payments as specified in Section 42-750.8.
- (b) If, upon receipt of the notice specified in Section 42-750.717(a), the participant indicates that the adjustment based on the excess amount paid will preclude participation in the program or prevent employment, the county shall:
- (1) Not adjust the next payment; and
  - (2) Follow the overpayment recovery procedures specified in Section 42-751.
- (c) Except as specified in Section 42-750.717, if the county is unable to collect in part or in full the over paid amount the county shall collect the remaining portion using the appropriate overpayment recovery procedures specified in Section 42-751.

.718 In a month in which an on-going transportation and/or ancillary expense payment has been paid to the participant based on approximate earnings, and the monthly eligibility report shows earnings less than the estimated earnings used, the CWD shall recalculate the payment and determine whether the supportive services payment made was less than that to which the participant was entitled as specified in Section 42-750.711.

- (a) Any amount owed to the participant shall be provided within 20 calendar days as specified in Section 42-751.11.  
(Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10613, 11209, 11320.3(f), 11320.6(e)(5), 11322.2(a), 11323.2, 11323.4(b), (c), and (d), 11323.6(d)(1), (d)(2), (e)(2) and (f), 11325.2(a)(5)(C)(i) and 11500(c)(1), Welfare and Institutions Code, AB 312, Chapter 1568, Statutes of 1990; 45 CFR 250.40(a)(2) and (3), 45 CFR 250.48(a)(3), 45 CFR 250.61(e) and (f), 45 CFR 250.95(b), 45 CFR 255.1(e)(1) and (4), 45 CFR 255.2, 45 CFR 255.4(a)(2)(iii), (c)(2), (f)(2), ~~and~~ (i)(1), and ~~45 CFR 255.4(j)~~, 45 CFR Part 256; and JOBS-FSA-AT-91-5.

Amend Section 42-751 to read:

42-751 UNDERPAYMENTS AND OVERPAYMENTS OF SUPPORTIVE SERVICES

42-751

.1 Definitions

- .11 Underpayments occur when it has been determined by the county that supportive service payments made to the participant, or the value of services provided on behalf of the participant, are less than those to which he/she is entitled as specified in Section 42-750. (Continued)
- .12 Overpayments occur when it has been determined by the CWD that supportive services payments made to the participant, or the value of services provided on behalf of the participant, exceed those to which he/she is entitled as specified in Section 42-750. (Continued)
- .121 The amount subject to collection procedures specified in Section 42-751.2, includes: (Continued)
  - (c) Payments provided which exceed those to which the participant is entitled when applying the standard work expense disregard for participants in on-the-job training, grant diversion, supported work or transitional employment assignments pursuant to the provisions of Section 42-750.7. (Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 11323.4(b) and (d)(1), and 11328, Welfare and Institutions Code, AB 312, Chapter 1568, Statutes of 1990; 45 CFR 205.10, 255.2(h)(1) and 255.4(j); ~~and~~ 54 FR 42234, October 13, 1989; and JOBS-FSA-AT-91-5.

Amend Section 42-760 to read:

42-760 GAIN REGISTRATION

42-760

- .1 Unless exempt as specified in Sections 42-788 through 42-799, the following individuals are automatically registered for GAIN: (Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11320.4(e), Welfare and Institutions Code, AB 312, Chapter 1568, Statutes of 1990; 45 CFR 250.90, 45 CFR 250.94(a)(2), 45 CFR 250.95(b) and 45 CFR 250.97(f)(7).



Amend Section 42-761 to read:

42-761 GAIN REGISTRANT APPRAISAL

42-761

- .1 Except as specified in .2 below, the CWD shall conduct an appraisal as soon as administratively possible, but within 20 working days from the date the recipient/applicant or caretaker relative signs the AFDC Statement of Facts in the presence of an eligibility worker.
- .11 The CWD shall not conduct the appraisal activities specified in Sections 42-761.3 through 42-761.43, for individuals excluded from program participation in accordance with Sections 42-720.63 through .633, unless the individuals are permitted to participate pursuant to Section 42-720.66. The CWD shall collect data on these excluded individuals in conformity with DSS requirements. (Continued)
- .3 Appraisal activities shall include the following: (Continued)
  - .39 Enter into a basic contract with the registrant as provided in Section 42-772 unless deferred.
- .4 All of the following registrants shall have good cause for not participating and shall be deferred from mandatory participation until the CWD determines that the situation precluding participation no longer exists: (Continued)
  - (m) (Continued)
  - (n) (Continued)
  - (o) (Continued)
- .41 Deferral determinations for individuals meeting the criteria of Section 42-761.4(e) shall be made prior to Appraisal.
  - .411 Data collection activities specified in Section 42-720.7 and deferral review activities specified in Section 42-761.43 are not required for individuals meeting the criteria of Section 42-761.4(e). (Continued)
- .43 The CWD shall document the projected length of time of the deferral.
  - .431 The CWD shall review the deferral situation periodically in accordance with the projected length of time of the deferral, but no less often than annually. (Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 11323.15, 11323.2(a), 11323.4(d)(1), 11323.6(d)(1), 11325, 11325.2(c)(7) and 11330.3, Welfare and Institutions Code; 45 CFR 250.1; 45 CFR 250.41(a)(1)(i) and (b); 45 CFR 250.48(a) and 45 CFR 255.2(a); and 54 FR 42184, October 13, 1989.

Adopt Section 42-775 to read:

42-775 GAIN PARTICIPATION REQUIREMENTS FOR AFDC-U PARENTS

42-775

- .1 Notwithstanding the provisions of Sections 42-772 and 42-774, one parent in a family eligible for aid due to the unemployment of the principal earner shall be required to participate as specified in this section.
- .2 Following registration and appraisal, described in Sections 42-760 and 42-761, the parent subject to the provisions of this section shall be required to participate in an employment activity as specified in Section 42-775.3.
  - .21 If, based on the appraisal, the county is unable to determine the appropriate employment activity, the parent shall be referred to assessment and development of an employment plan as described in Section 42-773.
    - .211 The county's criteria for determining when assessment is appropriate shall be subject to approval by CDSS.
- .3 Upon completion of appraisal or assessment, as appropriate, the parent shall be required to participate in at least one of the following employment activities for an average of at least 16 hours per week:
  - .31 Preemployment preparation (PREP) as described in Section 42-730.32.
    - .311 If the required number of PREP participation hours, determined in accordance with Section 42-730.323, is less than 16 hours per week, participation for the required number of PREP hours will satisfy the 16-hour per week requirement.
  - .32 On-the-job training (OJT) as described in Section 42-730.33.
  - .33 Any activity funded by grant diversion as specified in Sections 42-730.33, .34, .35 and .4.
  - .34 Unsubsidized employment of 16 or more hours per week.
    - .341 Unsubsidized employment of fewer than 16 hours per week may be combined with an employment activity or activities specified in this section.
- .4 Notwithstanding any other provisions of ~~these regulations~~ Chapter 42-700, concurrent participation in an employment activity listed in Section 42-775.3 and any other program activity may be required as needed to meet the participant's employment goal.
  - .41 Except as specified in Section 42-775.5, participation in an activity other than those specified in Section 42-775.3 shall not count toward the 16-hour per week requirement.

- .42 For purposes of long-term basic PREP, cause determination, conciliation and sanctions (Sections 42-774.3, 42-781 and 42-786), participants shall participate and maintain satisfactory progress in each assigned activity.
- .43 The county's criteria for determining when concurrent participation is appropriate shall be subject to approval by CDSS.
- .5 For parents under age 25 who do not possess a high school diploma or equivalent, participation in education activities as described in Section 42-730.5 may be required in lieu of the activities specified in Section 42-775.3.
- .51 For purposes of Section 42-775.5, participants who maintain satisfactory progress in the educational activity, as specified in Section 42-772.511, shall satisfy the 16-hour per week requirement.
- .511 If, in accordance with Section 42-772.511, it is determined that the parent is unable to maintain satisfactory progress, he/she shall be referred to one of the following:
- (a) a different educational program which meets the special needs of the participant and is consistent with the employment goal;
  - (b) reassessment; or,
  - (c) an employment activity described in Section 42-775.3.
- .52 Notwithstanding any other provision of ~~these regulations~~ Chapter 42-700, concurrent participation in an educational activity pursuant to Section 42-775.5 and an employment activity described in Section 42-775.3 or any other program activity may be required.
- .521 Only the hours of participation in an educational activity and an employment activity described in Section 42-775.3 shall count toward the 16-hour per week requirement.
- .522 For purposes of long-term basic PREP, cause determination, conciliation and sanctions (Sections 42-774.3, 42-781 and 42-786), participants shall participate and maintain satisfactory progress in each assigned activity.
- .523 The county's criteria for determining when concurrent participation is appropriate shall be subject to approval by CDSS.
- .53 When a parent participating in an educational activity defined in Section 42-775.5 attains age 25 during a semester or quarter, only participation for that semester or quarter shall satisfy the 16-hour per week requirement.

.531 Participation in the educational activity may continue beyond the semester or quarter provided the parent or his/her spouse is participating in accordance with Section 42-775.3.

- .6 For purposes of this section, the participant's hours of participation may be averaged over a one-month period so that the average equals or exceeds 16 hours per week for that month.

Authority Cited: Sections 10553, 10554, ~~and~~ 10604, and 11325.2(c)(9), Welfare and Institutions Code.

Reference: Sections 11320.8(a), 11322.4(f), 11322.8(f) and (g), 11323.15, 11325, 11325.2(c)(7) and (c)(9), 11325.8(b), and 11327.4(a), Welfare and Institutions Code; 45 CFR 250.33; 45 CFR 250.41; 45 CFR 250.74(c)(1); 42 U.S.C. 603(l)(4)(A) and (B)(i); ~~and~~ JOBS-ACF-AT-93-7; and JOBS-ACF-AT-94-3.

Amend Section 42-781 to read:

42-781 CAUSE DETERMINATIONS AND CONCILIATION

42-781

- .1 Before sanctions (Section 42-786) are applied, the CWD shall determine if there is good cause and attempt to resolve the problems when an individual who is required to enter into a participant contract or who volunteers to participate in the program fails or refuses to comply with program requirements.
  - .11 Failing or refusing to comply with program requirements is limited to:
    - .111 Failing or refusing to enter into a participant contract.
      - (a) (Continued)
    - .112 Failing or refusing to participate in any assigned program activity.
    - .113 Failing or refusing to accept a job offer or a job referral.
    - .114 Terminating employment
      - (a) (Continued)
    - .115 Reducing earnings
- .2 The CWD shall give the individual an opportunity to demonstrate that he/she had good cause for the failure or refusal to comply with program requirements.
  - .21 The CWD shall send the individual a written appointment notice to meet and discuss the reason(s) for the failure or refusal. The CWD shall make reasonable efforts to send this notice at least six working days prior to the scheduled interview. The interview for determination of cause shall be scheduled to occur within ten working days of the discovery of the refusal or failure.
    - .211 The notice shall contain the following information: (Continued)
      - (g) A statement that, after the cause determination has been made, the individual has the right to a conciliation period that shall not exceed 20 calendar days if the CWD finds that the failure or refusal to comply with program requirements was without good cause. (Continued)
      - (k) The consequences of the individual's failure to resolve the dispute by the end of the 20-calendar-day conciliation period. (Continued)

- .22 If the individual contacts the worker prior to or within one working day following the scheduled interview to request a rescheduling, the individual shall be permitted one reschedule of the cause determination interview. This rescheduled interview shall take place within five working days of the initially scheduled appointment, unless delayed by extenuating circumstances. (Continued)
- .25 A cause determination shall be made within 15 working days from the date of the discovery of the failure or refusal to comply with program requirements, unless delayed by extenuating circumstances which shall include: (Continued)
- .4 If the CWD determines that no good cause existed for the failure or refusal to comply with program requirements, the CWD shall conduct conciliation.
- .41 The CWD shall schedule an appointment at which the CWD and the individual shall attempt to reach agreement on program participation and resolve any problems that are contributing to the failure or refusal to comply with program requirements. The CWD shall issue a written notice informing the individual of the results of the good cause determination and of the conciliation appointment. The notice shall be issued within five working days of the cause determination, unless delayed by extenuating circumstances. The 20-calendar-day conciliation period begins on the date the CWD issues the notice informing the individual of the conciliation appointment.
- .411 The notice that begins conciliation shall be issued at least six working days prior to the scheduled appointment and shall contain all of the following: (Continued)
- (c) A statement that the individual has entered into a period of conciliation that shall not exceed 20 calendar days. (Continued)
- (k) The consequences of the individual's failure to resolve the dispute by the end of the 20-calendar-day conciliation period. (Continued)
- .6 The conciliation period shall not exceed 20 calendar days.
- .61 Either the individual or the CWD shall be permitted to terminate conciliation before the end of the 20-calendar-day period if one of the following conditions is met: (Continued)
- .62 An extension of the conciliation period for 10 calendar days shall be available upon agreement in writing by the individual and the CWD only if both of the following conditions are met:
- .621 The individual has made a reasonable effort to conciliate during the initial 20-calendar-day period and significant progress has been made toward a resolution of the dispute; and (Continued)



- .81 The CWD shall make reasonable efforts to contact the individual to determine if the individual had good cause for failing or refusing to comply with the conciliation plan.
- .811 "Reasonable efforts" include, but are not limited to, a written or telephone contact.
- (a) The county shall document in the case file its efforts to contact the individual.
- .812 If the individual who fails or refuses to comply with program requirements is an unemancipated 16 or 17 year old custodial parent as described in Section 42-772.73 who lives with his or her parent(s) or legal guardian, the CWD shall also make a reasonable effort to contact the individual's parent(s) or legal guardian.
- The parent(s) or legal guardian shall be allowed to attend any meetings between the CWD and the teenage parent that are designed to encourage the noncooperating teenage parent to participate.
- .82 If the CWD is unable to contact the individual, the CWD shall make a cause determination in his/her absence, based on available information.  
(Continued)
- .84 If the CWD determines that no good cause existed for the failure or refusal to fulfill the terms of the agreed-upon conciliation plan, the individual shall be sanctioned as specified in Section 42-786.
- .9 If, at the end of the 20-calendar-day conciliation period, the individual continues to fail or refuse to comply with program requirements, the CWD shall follow the procedures in Section 42-786 for sanctions.

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 11323.15, 11327.4, 11327.5(c)(1), and 11330.10(c), Welfare and Institutions Code; 45 CFR 250.34(a); and FSA-JOBS-90-3 (Federal Action Transmittal).

Amend Section 42-784 to read:

42-784 METHOD OF DETERMINING NET LOSS OF INCOME FOR GAIN  
GOOD CAUSE CRITERIA (Continued)

42-784

.4 Post employment income shall be determined as follows: (Continued)

.44 If the family would remain eligible for aid, add the amount of cash assistance that would be received if the job were accepted to the amount determined in Sections 42-784.42 and 42-784.43.

HANDBOOK BEGINS HERE

.5 Examples

.51 The participant's assistance unit consists of a single mother and two children, one of whom needs child care. The minimum basic standard of adequate care (MBSAC) for a family of three is \$715\*; the maximum aid payment (MAP) is \$607. There is no unearned income.

\* All amounts are for illustration purposes only.

The participant is offered a job that pays \$750 per month, which is insufficient to make the family ineligible for aid, as it does not exceed 185% of MBSAC. Mandatory deductions are estimated to be \$150 per month; child care is estimated to be \$250 per month; and transportation is estimated to be \$100 per month. Because the family remains eligible for aid, the estimated child care cost will be used in the NLI calculation as the participant is not eligible for TCC; the participant is eligible for supplemental child care (SCC).

The AFDC grant is calculated as follows:

Gross earnings from job offered	\$750
- Standard work expense disregard	- 90
- \$30 disregard	- 30
Subtotal	\$ 630
- One-third disregard (of subtotal)	-210
- Child care disregard for one child	-175
+ Unearned income	+ 0
TOTAL NET INCOME	\$245
MBSAC for a family of three	\$715
- Net income	-245
POTENTIAL GRANT	\$470
MAP for a family of three	\$607
NEW CASH GRANT AMOUNT (lesser of POTENTIAL GRANT and MAP)	\$470

The calculation for post-employment income, to determine if a net loss of income exists, is:

Current Income	\$607
Gross earnings from job offered	\$750
- Mandatory deductions	-150
- Estimated child care	-250
- Transportation	-100
+ Unearned income	+ 0
+ Cash grant	+470
+ Supplemental child care	+ 75
<b>TOTAL POST-EMPLOYMENT INCOME</b>	<b>\$795</b>

Because the post-employment income of \$795 per month is more than the current income of \$607 per month, the participant would be required to accept the job as it would not result in a net loss of income.

- .52 The participant's assistance unit consists of a single mother and three children, all of whom need child care; one child is under two. The MBSAC for a family of four is \$848; the family has no unearned income and receives a MAP of \$723 per month.

The participant is offered a job that pays \$750 per month, which is insufficient to make the family ineligible for aid, as it does not exceed 185% of MBSAC. Mandatory deductions are estimated to be \$150 per month; child care is estimated to be \$900 per month; transportation is estimated to be \$100 per month. Because the family remains eligible for aid, the participant is not eligible for TCC; therefore, the estimated child care costs will be used in the NLI calculation. The participant is eligible for SCC.

The AFDC grant is calculated as follows:

Gross earnings from job offered	\$ 750
- Standard work expense disregard	- 90
- \$30 disregard	- 30
Subtotal	\$ 630
- One-third disregard (of subtotal)	-210
- Child care disregard for three children	-420**
+ Unearned income	+ 0
<b>TOTAL NET INCOME</b>	<b>\$- 0</b>
MBSAC for a family of four	\$ 848
- Net income	- 0
<b>POTENTIAL GRANT</b>	<b>\$ 848</b>
MAP for a family of four	\$ 723
<b>NEW CASH GRANT AMOUNT</b> (lesser of POTENTIAL GRANT and MAP)	<b>\$ 723</b>

The calculation for post-employment income, to determine if a net loss of income exists, is:

Current Income	\$ 723
Gross earnings from job offered	\$ 750
- Mandatory deductions	-150
- Estimated child care	-900
- Transportation	-100
+ Unearned income	+ 0
+ Cash grant	+723
+ Supplemental child care	<u>+480</u>
TOTAL POST-EMPLOYMENT INCOME	\$ 803

Because the post-employment income of \$803 per month exceeds the current income of \$723 per month, the participant is required to accept the job, as there is no net loss of income.

\*\* Although the participant qualified for a child care disregard in the amount of \$550, only \$420 was applied as that was the amount left from the earnings after applying the other disregards.

- .53 The participant's assistance unit consists of a single mother and two children, both of whom need child care. The MBSAC for a family of three is \$715; the family is receiving a MAP of \$607 per month and has no unearned income.

The participant is offered a job that pays \$1400 per month, which would make the family ineligible for aid, as it does exceed 185% of MBSAC. The participant is not eligible for TCC because she has not received aid for three of the past six months. Because the family would be ineligible for AFDC, she is also ineligible for supplemental child care. Therefore, estimated child care costs will be used in the NLI calculation. Mandatory deductions are estimated to be \$280 per month; child care is estimated to be \$500 per month; and transportation is estimated to be \$100 per month.

A grant calculation is not required because the family would be ineligible for aid.

The calculation for post-employment income, to determine if a net loss of income exists, is:

Current Income	\$ <u>607</u>
Gross earnings from job offered	\$1400
- Mandatory deductions	-280
- Estimated child care	-500
- Transportation	-100
+ Unearned income	+ 0
+ Cash grant	+ <u>0</u>
TOTAL POST-EMPLOYMENT INCOME	\$ 520

Because the post-employment income of \$520 per month is less than the current income of \$607 per month, the participant is not required to accept the job as there would be a net loss of income.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Section 11328(k), Welfare and Institutions Code/ ~~As 112, Chapter~~  
~~1308, Statutes of 1990~~; 45 CFR 250.35(c); and 54 FR 42174.

Amend Section 42-786 to read:

42-786 GAIN SANCTIONS (Continued)

42-786

.3 During the sanction period, aid shall be discontinued to the individual or assistance unit as specified below:

.31 If the individual who failed or refused to participate is: (Continued)

.314 A parent in a family whose sole basis of deprivation is the unemployment of the principal earner, his/her aid shall be discontinued. In addition, if the sanctioned parent's spouse or the second parent is not participating in the program, aid to the spouse or second parent shall also be discontinued except as specified in Section 42-786.314(b).

(a) For purposes of this section, full-time employment of at least 30 hours per week at minimum wage or above shall satisfy the participation requirement for the spouse or second parent as specified in Section 42-786.314.

(b) For purposes of this section, the exemption criteria specified in Sections 42-795 through 42-796 shall not apply to the spouse or second parent. If the spouse or second parent meets any other exemption, deferral or good cause criteria, as described in Sections 42-788 through 42-794, 42-797 through 42-799, 42-761.4 or 42-782, he/she shall not be required to participate in order for his/her aid to continue. (Continued)

(g) If the spouse or second parent chooses to participate and subsequently fails or refuses to comply with program requirements, prior to the reinstatement of the sanctioned first parent, he/she shall be subject to the provisions of Section 42-781 and this section.

.4 The discontinuance from aid shall become effective at the end of the month following the CWD's timely and adequate notification (see Section 22-022.1), except as specified in Sections 42-786.41 and 42-787.61 below:

.41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached. However, pending the hearing decision, GAIN supportive services shall be available to the recipient only at the level and in the form authorized by the county action under appeal. (See Section 42-750.12.) (Continued)

.5 The CWD shall arrange for a protective payee in accordance with Section 44-309 as specified in Section 42-786.311. (Continued)



Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 11323.15, 11327.4(j), 11327.5(b), (c) ~~(1)~~ ~~(2)~~ ~~and (3)~~, ~~(2)~~ ~~and (3)~~ and (d), Welfare and Institutions Code; 45 CFR 250.30(b)(7); 45 CFR 250.34(c)(2) and (3); 45 CFR 255.2(h)(2); 54 FR 42173, October 13, 1989; and JOBS-ACF-AT-92-5.

Amend Section 42-787 to read:

42-787 GAIN STATE HEARING AND FORMAL GRIEVANCE (Continued)

42-787

.1 State Hearing (Continued)

- .13 With the exception of GAIN supportive services (see Section 42-750.12), aid will continue if the individual appeals through the state hearing process within the period of timely notification (see Section 42-786.41).

.2 Formal Grievance (Section 5302 of the Unemployment Insurance Code)

- .21 The procedures established for a formal grievance by the Unemployment Insurance Code are the same as those required for a cause determination and conciliation as specified in Section 42-781. These procedures shall not exceed thirty (30) days. (Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Section 11327.8, Welfare and Institutions Code; 45 CFR 205.10; and 45 CFR 255.2(h)(2).

SS

Original

# REGULAR

## STATE OF CALIFORNIA OFFICE OF ADMINISTRATIVE LAW

### NOTICE PUBLICATION/REGULATIONS SUBMISSION

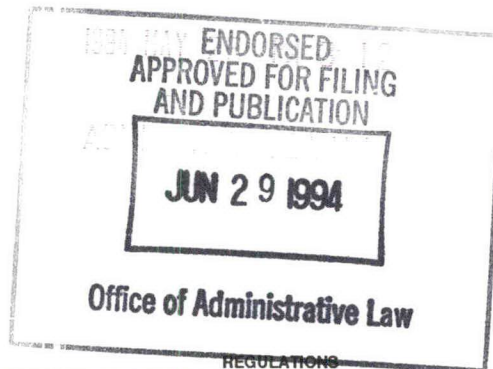
STD. 400 (REV. 2-91)

(See instructions on reverse)

For use by Secretary of State only

AGENCY CALIFORNIA DEPARTMENT OF SOCIAL SERVICES		AGENCY FILE NUMBER (If any) 0693-30	
OAL FILE NUMBERS	NOTICE FILE NUMBER Z93-1221-04	REGULATORY ACTION NUMBER 94-0525-035	EMERGENCY NUMBER
		PREVIOUS REGULATORY ACTION NUMBER	

For use by Office of Administrative Law (OAL) only



NOTICE

REGULATIONS

FILED

In the office of the Secretary of State of the State of California

JUN 29 1994

At 3:38 o'clock P M.

By Robert Cornick

#### A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Amendments to Child Support Locate Regs		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
<input type="checkbox"/> Other					
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified		<input type="checkbox"/> Disapproved/Withdrawn	NOTICE REGISTER NUMBER 93, #53-2	PUBLICATION DATE 12-31-93

#### B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

##### 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) MPP	ADOPT
SECTIONS AFFECTED	AMEND Sections 12-101 and 12-104
	REPEAL

##### 2. TYPE OF FILING

☒ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☐ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only ☐ Other (specify)

##### 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

##### 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☒ Effective 30th day after filing with Secretary of State ☐ Effective on filing with Secretary of State ☐ Effective other (Specify)

##### 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal

☐ Other (Specify)

##### 6. CONTACT PERSON

Frank Vitulli	TELEPHONE NUMBER 657-2586
---------------	------------------------------

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

Eloise Anderson, Director

DATE

May 17, 1994

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend MPP Section 12-101 to read:

12-101 GENERAL

12-101

.1 (Continued)

.2 (Continued)

.3 Definitions of terms specific to these regulations are:

a. (1) through (5) (Continued)

(6) Automated locate source -- means any locate source in which data is maintained in an automated fashion, regardless of how it is accessed, and the data is updated constantly, i.e., daily, weekly, monthly, or quarterly.

b. through p. (Continued)

q. ~~(Reserved)~~

(1) "Quick Locate" -- means a direct informal request for locate services from one state parent locator service to another state's parent locator service, rather than an official request for locate services from one state parent locator service to another state's Central Registry using interstate referral Form FSA 200, Child Support Enforcement Transmittal (Rev. 1/91).

r. through z. (Continued)

NOTE: Authority cited: Sections 10553, 10554, 11475, and 11479.5, Welfare and Institutions Code. Reference: Sections 11475, 11479.5, and 15200.85, Welfare and Institutions Code; and 45 CFR 232.11 and 300 through 307.

Amend MPP Sections 12-104 to read:

12-104 TIME STANDARDS - LOCATION OF ABSENT PARENTS

12-104

- .1 (Continued)
- .2 Within 75 calendar days of determining that locate services are necessary, the district attorney shall:
  - .21 Access all appropriate locate sources.
    - .211 The Federal Parent Locator Service (FPLS) need not be accessed if locate information sufficient to take the next appropriate action in a case is otherwise obtained within the 75-calendar-day time frame.
  - .22 (Continued)
- .3 For cases in which location attempts have been unsuccessful, the district attorney shall:
  - .31 Repeat location attempts immediately when new location information is received by accessing all appropriate locate sources within 75 calendar days of receiving new location information.
  - .32 Repeat location attempts quarterly.
    - .321 Quarterly ~~location~~ locate attempts may be limited to automated locate sources for cases that have adequate identifying information which makes them appropriate for referral to such sources, but shall include accessing ~~employment records~~ the following:
      - (a) State Employment Development Department (EDD) records; and
      - (b) When conversion to the Statewide Automated Child Support System (SACSS) is completed in a county, any appropriate automated state or local locate source that is constantly updated and which the SACCS has legal authority to access; or, a central state agency such as the California Parent Locator Service (CPLS) which has legal authorization to access appropriate automated locate sources on behalf of the district attorney.
    - (c) For example, for purposes of MPP Section 12-104.321, if either an individual's date of birth or SSN is necessary to access a particular automated system, and neither is known in a particular case, then that system would not be appropriate to access for that case.

HANDBOOK BEGINS HERE

HANDBOOK ENDS HERE

- (d) The district attorney may determine whether a source of locate information can provide the information needed to move the case to the next appropriate function.

HANDBOOK BEGINS HERE

- (e) For example, if only location of an absent parent's earnings or assets is needed, then an appropriate source to access is one which could provide that information; however, an inappropriate source would be one which does not provide information which could help identify earnings or assets.

HANDBOOK ENDS HERE

- .322 If an automated locate source is updated only annually or semi-annually, then the district attorney may refer cases to that source annually or semi-annually, rather than quarterly.

*133 Submit cases/ which meet the requirements for submittal/ to FPLS at least annually/*

- .4 Within 20 calendar days of determining that the absent parent is located in another state and, if appropriate, receipt of information necessary to process the case, the district attorney shall refer ~~the~~ any interstate Title IV-D case to the central registry of the state in which the absent parent is located (Form FSA 200, Child Support Enforcement Transmittal, Rev. 1/91).

- .41 A case shall not be considered an interstate case until the district attorney determines that both of the following apply:

.411 Child support action is necessary; and,

.412 The district attorney lacks jurisdiction to take necessary action.

- .42 The 20-calendar day time frame at MPP Section 12-104.4 does not apply to cases processed locally using long-arm jurisdiction (See Section 12-226.1).

- .43 The district attorney may use the "quick locate" method for locating or confirming the location of an absent parent in another state.

.431 If the "quick locate" method is used for a case, then the case shall be subject to the time standard requirements at Section 12-104.2, rather than the standard for interstate referral at Section 12-104.4.



.432 Use of the "quick locate" method is appropriate in, but not limited to, the following situations:

- (a) The district attorney determines that an absent parent is in one of several states; or,
- (b) The district attorney intends to use the state's long arm jurisdiction to establish paternity or a support order or enforce an order and wants to use the "quick locate" method to confirm the absent parent's location.

.433 Use of the interstate referral is appropriate in, but not limited to, the following situations:

- (a) In an interstate case, the absent parent is located in another state; or,
- (b) The district attorney determines with relative surety that the absent parent is in a specific state.

.434 Once an alleged or absent parent has been located in another state, the district attorney shall clearly document in the case record whether the case will be processed locally using long-arm jurisdiction, or whether an interstate referral will be made.

.435 If the district attorney first attempts long-arm action but is unable to obtain jurisdiction, then MPP Section 12-226.11 shall apply.

.436 In a case where the district attorney first attempts to use long-arm jurisdiction, but later determines that referral of the case to another state is necessary, then Section 12-104.4 shall apply.

.437 Where long-arm jurisdiction is first attempted, the date that referral to another state is necessary occurs in, but is not limited to, the following situations:

- (a) When foreign process is returned unserved; or,
- (b) When the district attorney is notified that jurisdiction was challenged and the court dismissed the long-arm action.

.5 Whenever the district attorney initiates or responds to an interstate case, the district attorney shall follow the Program Performance Standards at Section 12-226.2.

NOTE: Authority Cited: Sections 10553, 10554 and 11475, Welfare and Institutions Code. Reference: Section 11479.5, Welfare and Institutions Code; 45 CFR 302.35, 303.3 and 303.7; and Federal Register, Vol. 54, No. 149, Pages 32286 and 32299, Vol. 57, No. 122, pages 28104 and 28106 and Vol. No. 133, pages 30660 and 30681.

**EMERGENCY**  
**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91)

(See instructions on  
reverse)*Original*  
For use by Secretary of State only

AGENCY California Department of Social Services			AGENCY FILE NUMBER (if any) RDB 0494-08	
OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER 94-0624-07E	PREVIOUS REGULATORY ACTION NUMBER
For use by Office of Administrative Law (OAL) only				
NOTICE			<div style="border: 1px solid black; padding: 10px; text-align: center;"> <b>ENDORSED</b>  <b>APPROVED FOR FILING</b>  <b>AND PUBLICATION</b>  <div style="border: 1px solid black; padding: 5px; margin: 5px 0;">JUN 30 1994</div> <b>Office of Administrative Law</b> </div>	

**FILED**In the office of the Secretary of State  
of the State of California**JUN 30 1994**

At 3:57 o'clock P. M.

By *Rosetta Cornick***A. PUBLICATION OF NOTICE** (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Educational Income Exclusions in the Food Stamp Program		TITLE(S)		FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE	

**B. SUBMISSION OF REGULATIONS** (Complete when submitting regulations)**1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S)** (Including title 26, if toxics-related)

TITLE(S)	ADOPT
MPP	63-026
<b>SECTIONS AFFECTED</b>	AMEND
	63-502.1 and .2
	REPEAL

**2. TYPE OF FILING**

☐ Regular Rulemaking (Gov. Code, § 11346)
 ☐ Resubmittal
 ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)
 ☒ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only
 ☐ Other (specify)

**3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE** (Cal. Code Regs. title 1, §§ 44 and 45)

Not Applicable

**4. EFFECTIVE DATE OF REGULATORY CHANGES** (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State
 ☒ Effective on filing with Secretary of State (7-1-94)
 ☒ Effective other (Specify) 7-1-94

**5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY**

☐ Department of Finance (Form STD. 399)
 ☐ Fair Political Practices Commission
 ☐ State Fire Marshal

☐ Other (Specify)**6. CONTACT PERSON**

Frank Vitulli, Chief, Regulations Development

TELEPHONE NUMBER

(916) 657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

*Eloise Anderson*

TYPED NAME AND TITLE OF SIGNATORY

Eloise Anderson, Director

DATE

**JUN 23 1994**

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) ( REVERSE)

INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

## ALL FILINGS

Enter the agency name and agency file number, if any.

## NOTICES

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

## REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

## RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

## EMERGENCY REGULATIONS

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

## NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

## CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

## EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Adopt Section 63-026 to read:

63-026 IMPLEMENTATION OF EDUCATIONAL INCOME EXCLUSIONS  
IN THE FOOD STAMP PROGRAM

63-026

- .1 Beginning July 1, 1994, county welfare departments (CWDs) shall implement the amended or adopted provisions for all food stamp applicants as follows:
- .11 The amendment pertaining to the allowance of educational income exclusions for students attending high school or training as specified in Section 63-502.2(e), requires that benefits, for continuing cases and any households entitled to restored benefits, be restored back to the date of application or February 1, 1992, whichever occurred later. Restoration of benefits shall be made upon request by the household, at recertification, when the case is next reviewed, or when the CWD becomes aware that a review is needed, whichever occurs first.
- .12 All other amended provisions, Section 63-502.137, Section 63-502.145, Section 63-502.2(b), the remainder of Section 63-502.2(e), Section 63-502.2(g), and Section 63-502.2(l), require that benefits for continuing cases and any households entitled to restored benefits, be restored back to the date of application or July 1, 1993, whichever occurred later. Restoration of benefits shall be made upon request by the household, at recertification, when the case is next reviewed, or when the CWD becomes aware that a review is needed, whichever occurs first.

Authority Cited: Sections 10553, 10554, and 18904, Welfare and Institutions Code.

Reference: Sections 10553 and 18904, Welfare and Institutions Code; 7 CFR 273.9(c)(3) and (c)(10)(xi); PL 101-624; and PL 102-325.

Renumber Section 63-502.2(e)(1) to Section 63-502(e)(3)(A) and amend Sections 63-502.137 and .145 and Sections 63-502.2(b), (e), (g)(1) and (2), and (1) and (1)(4) to read:

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS

63-502

.1 Income Definition (Continued)

.13 Earned income shall include: (Continued)

.137 ~~College~~ Work study income which has not been excluded by federal statute, as specified in Section 63-502.2(1)(4), or through application of after allowable exclusions are applied as specified in Section 63-502.2(e).

.14 Unearned income shall include, but not be limited to: (Continued)

.145 Scholarships, educational grants, fellowships, deferred payment loans for education, veterans' educational benefits and the like which have not been excluded by federal statute, as specified in Section 63-502.2(1)(4) or through application in excess of amounts excluded under of allowable exclusions as specified in Section 63-502.2(de). (Continued)

.2 Income Exclusions. Only the following items shall be excluded from household income: (Continued)

(b) Vendor payments. (Continued)

(4) Deferred educational loans, grants, scholarships, fellowships, veterans' educational benefits, and the like, are legally obligated to the household and therefore are not vendor payments that are provided to a third party on behalf of the household for living expenses such as rent or mortgage, personal clothing or food eaten at home shall be treated as money payable directly to the household and shall not be excluded as a vendor payment. (Continued)

(e) Regardless of their source, educational loans on which payment is deferred, grants, scholarships, college work study, fellowships, veterans' educational benefits, and the like assistance not otherwise excluded by federal statute as specified in Section 63-502.2(1), to the extent that it is either earmarked by the lender, used for, or intended to be used for, tuition and mandatory fees, books, supplies, transportation, dependent care or miscellaneous personal allowable educational expenses at qualifying institutions as specified in Section 63-502.2(e)(3) (other than living expenses, such as rent or mortgage, personal clothing, or food eaten at home, at an institution of post-secondary education, including correspondence schools at that level, or a school at any level for the physically or mentally handicapped.

(2) Mandatory fees include the rental or purchase of any equipment, materials, and supplies related to the pursuit of the course of study involved.

*(D) Origination fees and insurance premiums on student loans are excludable charges. Only the amount of the loan after these charges have been excluded is to be considered income.*

(1) The educational assistance may be in the form of loans on which payment is deferred, grants, scholarships, work study, fellowships, veterans' educational benefits, and the like.

(2) Allowable educational expenses include tuition and mandatory fees (including the rental or purchase of any equipment, materials, and supplies related to the pursuit of the course of study involved), books, supplies, transportation, dependent care, miscellaneous personal expenses (other than living expenses, such as rent or mortgage, personal clothing, or food eaten at home), and origination fees and insurance premiums on student loans.

(3) Qualifying institutions are: those providing secondary or post-secondary education or the equivalent of a secondary diploma, including correspondence schools at these levels; a school at any level for the physically or mentally handicapped; or a vocational education program.

(A) For the purpose of this provision, institution of post-secondary education means any public or private educational institution which: (a) meets the definition of institution of higher education as specified in Section 63-102(i), or (b) admits persons who are beyond the age of compulsory school attendance in the state in which the institution is located. The institution must be legally authorized or recognized by the state to provide: (a) an educational program beyond secondary education in the state, or (b) a program of training to prepare students for gainful employment.

(4) (Continued)

(g) (Continued)

(1) Excludable reimbursements which are not considered to be a gain or benefit to the household include, but are not limited to the following: (Continued)

*(D) Reimbursements or allowances to students for specific education expenses which are specifically earmarked by the grantor such as, but not limited to, travel or books.*

(D) (Continued)

(E) (Continued)

(F) (Continued)

(G) (Continued)



(I) (Continued)

- (2) The following shall not be considered a reimbursement excludable under this provision: (Continued)

(B) Portions of any educational grant, scholarship, fellowship, veterans' educational benefits, and the like that are provided for living expenses, such as food, rent, or clothing.

(C) (Continued)

- (1) Any income that is specifically excluded by any other federal statute from consideration as income for the purpose of determining eligibility for the Food Stamp Program. The following is a listing of some of the types of income excluded by federal statute: (Continued)

- (4) Federal Educational assistance provided by a program funded in whole or in part under Title IV of the Higher Education Act and/or the Bureau of Indian Affairs Student Assistance Programs is excludable to the extent specified in Section 8350212(e). (Continued)

Authority Cited: Sections 10553, 10554, 11209 and 18904, Welfare and Institutions Code.

Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; Public Law (P.L.) 99-198, Section 1509(b); P.L. 101-201; P.L. 101-624; P.L. 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 100-77; P.L. 102-237; P.L. 102-325; 7 CFR 271.2; 7 CFR 273.7(f); 7 CFR 273.9; 7 CFR 273.9(b)(1) and (c), 7 CFR 273.9(c)(1) and (i), (iii), (iv), and (iv)(B), and (c)(3); 7 CFR 273.9(c)(5); 7 CFR 273.9(c)(5)(i)(A); 7 CFR 273.9(c)(5)(i)(C), (F) and (G) and (ii)(A); 7 CFR 273.9(c)(10); 7 CFR 273.9(c)(15); 7 CFR 273.9(d)(3)(vii); 7 CFR 273.9(d)(1) through (6); 7 CFR 273.11(d)(1), (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal Feb. 1, 1990) F. Supp. [Dock. No. CV-89-0768]); 7 CFR 273.21(j)(1)(vii)(A); P.L. 101-508, Section 11111(b); 7 U.S.C. Sections 2014(d) and (d)(3)(B); 7 U.S.C. Section 2015(e); 20 U.S.C. Section 1087 uu.; 20 U.S.C. Section 2466d.; 26 U.S.C. Section 32(j)(5); U.S.D.A. Food and Nutrition Service Office, Western Region, Administrative Notice 88-40, Indexed Policy Memo 88-10, dated April 20, 1988; U.S.D.A. Food and Nutrition Service Office, Western Region, Administrative Notice 91-24, dated January 24, 1991; and U.S.D.A. Food and Nutrition Service Administrative Notice 91-30; and Waiver Letter WFS-100: FS-10-6-CA, dated October 2, 1990, United States Department of Agriculture, Food and Nutrition Service; Federal Register, Volume 51, No. 163 (pgs. 30046 and 30047); Food Stamp Question and Answer Distribution System, #502.2-7 and U.S.D.A. Food and Nutrition Service Office, Western Region, Administrative Notices 92-12 and 92-41 with Policy Memo 3-92-06.



## NOTICE PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

STD. 400 (REV. 2-91)

## AGENCY

California Department of Social Services

AGENCY FILE NUMBER (If any)

1193-47

OAL FILE  
NUMBERSNOTICE FILE NUMBER  
Z94-0222-04REGULATORY ACTION NUMBER  
94-0610-02CEMERGENCY NUMBER  
94-0218-04E

PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

JUL 15 1994

Office of Administrative Law

NOTICE

REGULATIONS

Original  
For use by Secretary of State only

FILED

In the office of the Secretary of State  
of the State of California

JUL 15 1994

At 3:46 o'clock P. M.

By Calvin L. Conick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Student Loans and Grants		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 94-#9-2	PUBLICATION DATE 3-11-94

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) MPP	ADOPT
SECTIONS AFFECTED	AMEND 44-111
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)
 ☐ Resubmittal
 ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)
 ☐ Emergency (Gov. Code, § 11346.1(b))

☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only
 ☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State
 ☒ Effective on filing with Secretary of State
 ☐ Effective other (Specify)

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☒ Department of Finance (Form STD. 399)
 ☐ Fair Political Practices Commission
 ☐ State Fire Marshal

☐ Other (Specify)

## 6. CONTACT PERSON

Frank Vitulli, Assistant Chief, Regulations Development Bureau

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

DATE

JUN 10 1994

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN  
REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for reoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

.4 Exclusions or Exemptions of Other Payments and Income (Continued)

.43 Loans and Grants

The following loans and grants are not considered as income: (See Section 42-213.2c for treatment as property.) (Continued)

.432 Loans or grants made under Title IV of the Higher Education Act or under the Bureau of Indian Affairs student assistance program.

- a. This includes student loans and grants that are partially funded under these programs, e.g. 50 percent Title IV funds and 50 percent state funds.

HANDBOOK BEGINS HERE

- b. Examples of Title IV and Bureau of Indian Affairs loans and grants include:

- 1. Supplemental Educational Opportunity Grant Program
- 2. Carl D. Perkins Loans
- 3. Robert C. Byrd Honors Scholarship Program
- 4. National Science Scholars Program
- 5. State Student Incentive Grants
  - A. Cal Grant Program
- 6. Paul Douglas Teacher Scholarship Program
- 7. College Work Study (See Section 44-111.25.)
- 8. Income Contingent Loan (ICL) Program
- 9. Bureau of Indian Affairs Higher Education Grant
- 10. Indian Health Service Scholarship Program
- 11. Pell Grant

12. Federal Family Education Loan (FFEL) Program

- A. Guaranteed Student Loan (GSL) Program
- B. Stafford Loan Program
- C. Consolidation Loan Program
- D. Supplemental Loans for Students (SLS) Program
- E. Parent Loans for Students (PLUS) Program

HANDBOOK ENDS HERE

- .433 Any other grant or loan to any undergraduate student for educational purposes made or insured under any program administered by the Federal Secretary of Education.
- .434 Any other educational loans and grants to undergraduate students when they are awarded on the basis of the student's need.
  - a. The recipient shall provide a certification from an official at the student's school (preferably from the Financial Aid Office) concerning the student's eligibility for this income exemption. The certification must state that the award is based on need and that the Public Assistance grant was considered in making the award.
- .435 Educational loans and grants other than those excluded in Sections 44-111.432, .433, and .434 only to the extent that the proceeds are used to meet educational expenses, such as fees, equipment, special clothing needs, transportation to and from school, child care services necessary for school attendance, etc.
  - a. The necessary costs of transportation to and from school shall be allowed based on the mode most economically available and feasible in the particular circumstances. If it is determined that personal car usage meets the criteria above, all actual transportation costs will be prorated based on the percentage of miles driven to and from school to total miles driven. Allowable transportation costs include, but are not limited to, car payments, car insurance and registration and gasoline.

- b. The student must appropriately document his/her educational expenses for the county in order to receive this exemption.

.436 (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11008.15, and 11451.7, Welfare and Institutions Code; 42 USC Section 602(g)(1)(E)(i); Section 202(a), Public Law 100-485 and ~~Section 479B, Public Law 102-325;~~  
20 USC 1087aa; 45 CFR 233.20(a)(4)(ii); 45 CFR 233.20(a)(11)(v)(C); 45 CFR 255.3(f)(1); and Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992.



## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-94)

AGENCY

(See instructions on reverse)

Original  
For use by Secretary of State only

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

AGENCY FILE NUMBER (If any)

RDB#0594-10

OAL FILE  
NUMBERS

NOTICE FILE NUMBER

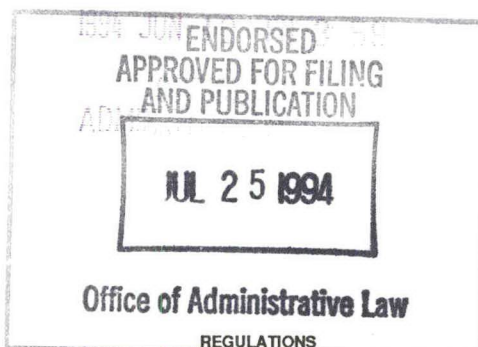
REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

94-0610-035

For use by Office of Administrative Law (OAL) only



NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

JUL 25 1994

At 2:47 o'clock P. M.

By Roberta Carnic

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Notice of Action Request		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 94-#92	PUBLICATION DATE 3-4-94	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) MPP	ADOPT
SECTIONS AFFECTED	AMEND 22-021.5
	REPEAL

## 2. TYPE OF FILING

☒ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☐ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only ☐ Other (specify) \_\_\_\_\_

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State ☒ Effective on filing with Secretary of State ☐ Effective other (Specify) \_\_\_\_\_

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal

☐ Other (Specify) \_\_\_\_\_

## 6. CONTACT PERSON

TELEPHONE NUMBER

Frank Vitulli, Asst. Chief, Regulations Development Bureau

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE

June 10, 1994

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, DIRECTOR

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN  
REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for reoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.



Amend Section 22-021.5 to read:

22-021

ADEQUATE NOTICE

22-021

- .5 ~~The notice shall~~ If a claimant submits a request for a state hearing on the back of the notice, a duplicate copy of the notice shall be mailed or given provided to the claimant in duplicate on request.  
(Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10613, 11209, and 11511(a), Welfare and Institutions Code; and 45 CFR 255.4(j)(1) and 256.4(b).

## NOTICE PUBLICATION REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

(See instructions on reverse)

Original  
For use by Secretary of State only

## AGENCY

California Department of Social Services

AGENCY FILE NUMBER (If any)

1293-48

OAL FILE  
NUMBERS

NOTICE FILE NUMBER

Z94-0301-11

REGULATORY ACTION NUMBER

94-0610-04C

EMERGENCY NUMBER

94-0201-04E

PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

JUL 25 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

JUL 25 1994

At 2:47 o'clock *pm* M.By *Robert T. Cornick*

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE AFDC-FC Audit Overpayments ...		TITLE(S)		FIRST SECTION AFFECTED		2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER			
OAL USE ONLY		ACTION ON PROPOSED NOTICE		NOTICE REGISTER NUMBER		PUBLICATION DATE	
<input type="checkbox"/> Approved as Submitted		<input type="checkbox"/> Approved as Modified		<input type="checkbox"/> Disapproved/Withdrawn		94-110-2 3-11-94	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)	
TITLE(S) MPP	ADOPT
SECTIONS AFFECTED	AMEND 11-400; 11-402; and 11-407
	REPEAL

## 2. TYPE OF FILING

- ☐ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☐ Emergency (Gov. Code, § 11346.1(b))
- ☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

- ☐ Print Only ☐ Other (specify)

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

May 19, 1994 through June 3, 1994

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

- ☐ Effective 30th day after filing with Secretary of State ☒ Effective on filing with Secretary of State ☐ Effective other (Specify)

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

- ☒ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal

☐ Other (Specify)

6. CONTACT PERSON

Frank Vitulli, Assistant Chief, Regulations Development

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

*Eloise Anderson*

DATE

JUN 10 1994

TYPED NAME AND TITLE OF SIGNATORY

Eloise Anderson, Director

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) ( REVERSE)

INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Section 11-400 to read:

11-400 AFDC-FOSTER CARE RATES

11-400

Definitions. For purposes of the Foster Care Program, the following definitions shall apply wherever the terms are used throughout Chapter 11-400:

a. (1) (Reserved) (Continued)

d. (Continued)

(4) Direct Contact Contract - An agreement between a group home provider and a social worker, as defined in Section 11-400s.(4) exclusively for direct social work activities to children in care in accordance with Sections 11-402.212(a)(2)(A) and 11-402.222(d). The social worker that is eligible for double weighting shall be an Independent Contractor as provided by state and federal laws, including Section 3353 of the California Labor Code.

(5) Director (Continued)

(6) Due Date - The date a group home rate application, a request for good cause or an additional information request is due. If this date falls on a weekend or a legal holiday, the due date is the next business day. If this information is mailed, it shall be postmarked on or before the due date.

(7) Duplicate (Continued)

f. (Continued)

(6) Formal Hearing - (~~A~~) An administrative review hearing conducted by an Administrative Law Judge to review a Report of Findings of an informal level hearing officer and group home program audit findings disputed by the group home provider in a Statement of Disputed Audit Findings not otherwise resolved at an informal hearing; or (~~B~~) An administrative review hearing to review the contention of a group home provider or foster family agency that does not concur with a rate setting protest decision letter pursuant to Sections 11-407.4 through 11-407.74.

(7) Foster Family Agency shall be defined in accordance with Section 45-101.1. (Continued)

(8) Frozen Rate (Continued)

(9) Full-time Equivalent (Continued)

i. (Continued)

(2) Informal Hearing - An administrative review hearing conducted by a hearing officer to examine group home program audit findings disputed by the group home provider in a Statement of Disputed Audit Findings pursuant to Sections 11-407.12 through 11-407.146. (Continued)



1. (Continued)

- (5) Lien - A certificate lien established pursuant to Section 11466.33 of the Welfare and Institutions Code or any judgement lien created under Part 2, Title 9, Division 2, Chapter 2 (commencing with Section 690.010) of the California Code of Civil Procedure. If an amount is due and payable to the Department as a result of a sustained overpayment, the Department may, as one of its involuntary collection procedures, file a certificate lien with a county clerk and bring an action in superior court to seek a judgement lien.

- m. (1) Mandatory Repayment Schedule - Shall be defined in accordance with Section 11466.22(d)(4) of the Welfare and Institutions Code.

HANDBOOK BEGINS HERE

Welfare and Institutions Code Section 11466.22(d)(4) provides:

"The department shall establish an involuntary overpayment collection procedure, that shall take into account the amount of the overpayment, projected annual income, a minimum required repayment amount, including principal and interest, of 5 percent of the annual income prorated on a monthly basis, simple interest on the overpayment amount based on the Surplus Money Investment Fund, and a maximum repayment period of seven years. The department may establish regulations permitting the director at his or her discretion to renegotiate the involuntary payment agreement if the director determines that the agreement would cause severe harm to children in placement."

HANDBOOK ENDS HERE

- (2) Mental Health Clinical Hour (Continued)

- (3) Mental Health Treatment Services (Continued)

- o. (1) Offset ~~Procedure~~ - A payment to a group home program from government sources other than the AFDC-FC program and restricted donations from public and private sources specified to fund an allowable cost.

- (2) On-going Training (Continued)

- (3) Overpayment - A group home provider overpayment in the AFDC-FC program is either an overpayment defined in accordance with Section 11466.22(d)(2) of the Welfare and Institutions Code or a self-reported overpayment in accordance with Section 11466.22(d)(1) of the Welfare and Institutions Code in a rate application by a group home provider that is established for an audit period when a group home provider receives foster care maintenance payments to which it is not entitled.

HANDBOOK BEGINS HERE

Welfare and Institutions Code Section 11466.22(d)(1) <sup>states</sup> provides the following:

per  
agency  
DMC  
7.25.94

"(1) Overpayments shall be determined by either a group home provider audit or a group home provider self-reporting an overpayment."

Welfare and Institutions Code Section 11466.22(d)(2) provides the following definition of the term "sustained overpayment" after an audit has identified an overpayment:

"(2) If an informal hearing is not requested, or on the 60th day after an informal decision if a provider or the department does not file a notice of intent to file a formal appeal, or on the 30th day following a formal appeal hearing decision, whichever is latest, a group home provider overpayment shall be sustained for collection purposes and the department shall issue a demand letter for repayment of the sustained overpayment."

HANDBOOK ENDS HERE

p. (Continued)

- (9) Provider - A group home provider is a licensee of one or more group homes, as defined in Section 11466.22(b) of the Welfare and Institutions Code, that receives foster care maintenance payments under the AFDC-FC program.

HANDBOOK BEGINS HERE

Section 11466.22(b) of the Welfare and Institutions Code Section provides the following definition of the term "provider":

"(b) For the purposes of this section, a group home provider is a licensee of one or more group homes, as defined in subdivision (h) of Section 11400, receiving foster care maintenance payments under the AFDC-FC program. The department may collect a sustained overpayment from the party responsible for the sustained overpayment, regardless of whether the party remains in the business of providing group home programs, and regardless of whether the party remains licensed by the department." (Continued)

HANDBOOK ENDS HERE

- r. (1) Rate Application - An application which consists of a Group Home Program Rate Application (SR 1, Rev. 10/91), Program Classification Report (SR 2, Rev. 11/92), Group Home Program Cost Report (SR 3, Rev. 12/92), Group Home Program Payroll & Fringe Benefit Report (SR 4, Rev. 12/92), Group Home Program Days of Care Schedule (SR 5, Rev. 12/92) and a training plan for the purpose of setting a rate from the following types of group home providers:

- (A) A new group home provider rate application for a new program;
- (B) An existing group home provider annual rate application, new program rate application, or program change rate application; or
- (C) An application for a program reinstatement after a program's rate has been terminated.

- (2) Rate Classification Level (RCL) (Continued)
- (3) RCL Reduction - An involuntary collection procedure for recovering a sustained overpayment or a self-reported overpayment in a rate application from a group home provider who does not enter into a repayment agreement with the Department or a group home provider who has three outstanding payments on a repayment agreement prior to the sustained overpayment being repaid.
- (4) Reasonableness Adjustment - Adjustments made to costs reported by a group home provider which are based on reasonableness limits, as specified in Section 11-402.828, for salary, shelter, and vehicle costs.
- (5) Repayment Agreement - Shall be defined in accordance with Section 11466.22(d)(3) of the Welfare and Institutions Code.

HANDBOOK BEGINS HERE

Welfare and Institutions Code Section 11466.22(d)(3) provides the following:

"The department shall establish a voluntary repayment agreement procedure with a maximum repayment period of nine years. The procedure shall take into account the amount of the overpayment, projected annual income, of the program that caused the overpayment, a minimum repayment amount, including principal and interest, of 3 percent of annual income prorated on a monthly basis, simple interest for the first seven years of the voluntary repayment agreement on the overpayment amount based on the Surplus Money Investment Fund, and simple interest for the eighth and ninth years of the voluntary repayment agreement based on the prime rate at that time plus 3 percent. The department may adopt regulations permitting the director, at his or her discretion, to renegotiate the volunteer repayment agreement if the director determines that the agreement would cause severe harm to children in placement."

HANDBOOK ENDS HERE

- (6) Residential Child Care Experience (Continued)

s. (Continued)

- (2) Settlement Conference - A meeting between representatives of the Department and the group home provider to resolve a pending administrative appeal of a disputed audit finding which has reached the formal hearing level. If the parties and the Administrative Law Judge agree, a settlement conference may be held by telephone.
- (3) Social Work Activities (Continued)
- (4) Social Worker (Continued)
- (5) Specialized Care Increment (Continued)

(6) Specialized Care Rate (Continued)

(7) Specialized Care System (Continued)

- t. (1) Training Log - A compilation of documentation necessary to verify the on-going training that was provided to child care workers and first-line supervisors. Documentation for each training session shall include the date of training; location of training; title and a short paragraph about the subject of training; names and signatures of staff attending for training provided onsite by a group home provider or independent third-party verification for training that is provided offsite or by an entity other than the group home provider and their classifications; hours of training; name of trainer(s) and their qualifications; documentation showing provider paid any costs for training, including employee wages and benefits; listing of the materials distributed and used by the trainer; and type of training, i.e., in-person, video, onsite, offsite.
- (2) Training Plan - A prospective fiscal year summary of on-going training to be provided for child care workers and first-line supervisors which shall include at a minimum, a projection of the total staff hours of training, the general subject matter of the anticipated training and any information within the categories listed under "training log" that are known to the provider at the time of application. A group home program's training plan must be submitted to the Department as part of the rate application process. Staff meetings that do not meet the definition of Section 11-400o.(2) shall not be considered training. (Continued)

Authority Cited: Sections 10553, 10554, 11462(i) and (j), and 11466.1, Welfare and Institutions Code and Chapter 1294, Statutes of 1989, Section 23.

Reference: Section 1502(a)(1), Health and Safety Code, Section 3353 of the California Labor Code, Sections 10852, 11226, 11228, 11230, 11231, 11232, 11233, 11234, 11235, 11236, 11400(h), 11460, 11462, 11462.03, 11466.1, 11466.2, 11466.22, 11466.3, 11466.31, 11466.33, 11466.34, 11468, 11468.6, and 18350, Welfare and Institutions Code, Assembly Bill 2129, Chapter 1089, Statutes of 1993, Senate Bill 415, Chapter 950, Statutes of 1993, The Classification of Group Home Program Under the Standardized Schedule of Rate System Report, August 30, 1989, and Title 8, California Code of Regulations, Section 11050, Industrial Welfare Commission Order 5-89.



Amend Section 11-402 to read:

11-402 GROUP HOME RATE SETTING (Continued)

11-402

.2 Program Classification

.21 Eligible Hours for Program Components

.211 Child Care and Supervision (CCS)

(a) Eligible hours of CCS shall be determined by counting paid-awake hours of child care workers and first-line supervisors while performing child care duties. (Continued)

(3) No more than 54 hours per week per individual child care worker and individual first-line supervisor ~~per~~ for any program(s) shall be projected on ~~the~~ any Program Classification Report(s), SR 2 (Rev. 11/92) Column 2, line 16.

(4) More than 54 hours per week per individual child care worker and individual first-line supervisor ~~per~~ for any program(s) may be reported on ~~the~~ any SR 2(s) (Rev. 11/92) Column 2, lines 1 through 12 when: (Continued)

.212 Social Work Activities

(a) Eligible hours of social work activities shall be determined by counting the paid-awake hours of social work activities performed by social workers. (Continued)

(2) No more than 54 hours a week per individual social worker ~~per~~ for any program(s) shall be projected on ~~the~~ any SR 2(s) (Rev. 11/92) Column 2, line 16. (Continued)

(3) More than 54 hours a week per individual social worker ~~per~~ for any program(s) may be reported on ~~the~~ any SR 2(s) (Rev. 11/92) Column 5, lines 1 through 12 when: (Continued)

(5) A group home employee functioning as an existing social worker shall be considered a social worker and have his/her hours counted as social work activities if: (Continued)

(B) The employee does not meet the degrees and equivalents as defined in Section 11-400s.(4). (Continued)

.22 Weightings for Program Component Hours

.221 Child Care Supervision (CCS) Weightings (Continued)

(c) Residential Child Care Experience

- (1) Each child care worker and first-line supervisor shall receive additional weighting for previous paid-awake experience in residential child care specified in Section 11-400r.(6) as follows. (Continued)

(e) On-Going Training

- (1) Each eligible hour of CCS shall receive an additional weighting of 0.10 when an average of 40 or more hours of on-going training per person (full-time equivalent [FTE]) per year is provided. See definition of on-going training at Section 11-400o.(2). (Continued)

.23 Point Computation (Continued)

- .234 Providers shall report the actual number of mental health treatment services points per child, per month, for each program on an SR 2 (Rev. 11/92). (Continued)

.3 Group Home Annual Rate Application Process

- .31 Each provider shall submit to the Department a completed rate application as specified in Sections 11-402.35 through 11-402.356 for each program each fiscal year in order to receive a rate for that program.

- .32 The due date for annual rate applications shall be May 1. (Continued)

- .35 An annual rate application with no program changes shall include:

- .351 A complete Group Home Program Rate Application, SR 1 (Rev. 10/91);

- .352 A complete Program Classification Report, SR 2 (Rev. 11/92); (Continued)

- .356 The group home training plan projected for a fiscal year; and (Continued)

- .36 The following cost-related information shall be provided with the rate application package. All penalties listed for late or incomplete application shall apply to these documents as specified in Section 11-402.38.

- .361 A complete Group Home Program Cost Report, SR 3 (Rev. 12/92);

- .362 A complete Group Home Program Payroll and Fringe Benefit Report, SR 4 (Rev. 12/92) and

.363 A complete Group Home Program Days of Care Schedule, SR 5 (Rev. 12/92).

.37 The Department's good cause procedures shall be as follows:

.371 Providers unable to submit a timely or complete rate application by the due date shall be allowed to submit in writing, a request for a determination of good cause as defined in Section 11-400g.(1) which shall be postmarked within five calendar days of the application due date. (Continued)

.38 The Department's penalty procedures for late or incomplete applications shall be as follows:

.381 For a late application:

(a) Submitted after the due date and before June 1, the rate shall be effective August 1 unless: (Continued)

.382 For an incomplete application which is later completed:

(a) After the due date but before June 1, the effective date of the rate shall be the same as for a late application in Sections .381(a) and (a)(1). (Continued)

.383 For an incomplete application that remains incomplete after July 1: (Continued)

(c) Notwithstanding Sections 11-402.383(a) and (b), any program that refuses to comply with the requirement to submit a complete rate application in accordance with Sections 11-402.35 and 11-402.36 shall have its rate terminated as specified in Section 11-402.39.

.39 The Department's rate termination process shall be as follows:

.391 The Department shall provide notice to the provider of the rate termination date. The notice shall: (Continued)

(c) Include the provider's appeal rights as specified in Welfare and Institutions Code Sections 11468 through 11468.6. (Continued)

.4 Deviations from Annual Rate Setting

.41 New Program

.411 An initial rate application from an existing provider for a new program shall include all required forms and information listed in Sections 11-402.351 through 11-402.356 with the following additional requirements:

- (a) A new and complete program statement shall be submitted with each initial rate application. The program statement shall include the following until such time as a standardized program statement is implemented pursuant to Welfare and Institutions Code Section 11467(c); (Continued)
- (b) Providers who are discontinuing any group home program(s) in favor of a new program shall submit the cost information on forms SR 3 (Rev. 12/92), SR 4 (Rev. 12/92) and SR 5 (Rev. 12/92) using the actual costs for any months of operation of the discontinued program not previously reported as part of the annual rate application process.
- (c) The placement agency recommendation from the host or the ~~host and~~ primary placing counties as appropriate and as specified in Section 11-406.12. (Continued)

.42 New Provider (Continued)

.422 An initial rate application from a new provider shall include all required forms and information listed in Sections 11-402.351 through 11-402.356 with the following additional requirements: (Continued)

- (b) The cost information forms SR 3 (Rev. 12/92), SR 4 (Rev. 12/92) and SR 5 (Rev. 12/92) shall be completed identifying projected costs.
- (c) Placement agency recommendation from the host or the ~~host and~~ primary placing counties as appropriate and as specified in Section 11-406.12. (Continued)

.43 Program Changes

.431 A program change shall be as defined in Section 11-400p.(7). (Continued)

- (c) The Department shall determine the correct RCL for a group home program based on data submitted by the provider in the program change application specified in Section 11-402.432. The Department may request additional information to complete the program change application process in accordance with Sections 11-402.524(b)(1) through (3). (Continued)

.432 An application for an RCL change or a program change shall include:

- (a) A complete Group Home Program Rate Application, (SR 1, Rev. 10/91).
- (b) A complete Program Classification Report, (SR 2, Rev. 11/92). (Continued)

- (d) Providers making program changes affecting more than one program, that is, discontinuing one program in favor of another as described in Section 11-402.435(c)(1) or otherwise discontinuing a program, shall submit the cost information forms [SR 3 (Rev. 12/92), SR 4 (Rev. 12/92), and SR 5 (Rev. 12/92)] using actual costs for the program to be discontinued based on the months not previously reported as part of the annual rate application process. (Continued)

.435 The effective date of the rate for program changes, by the type of change, shall be: (Continued)

- (b) For the RCL which is changing: (Continued)

- (2) For an increase in RCL, the effective date shall be the later of the provider's proposed effective date on the Group Home Program Rate Application, SR 1 (Rev. 10/91) submitted for the program change or 30 days after the postmark on the program change application. (Continued)

- (c) For changes affecting more than one program operated by one or different providers, the effective date shall be the later of the provider's proposed effective date on the SR 1 (Rev. 10/91) form(s) or 30 days after the postmark on the program change application(s). (Continued)

.44 Programs Which Fail to Maintain the RCL

- .441 A group home provider who self-reports information in a rate application as defined in Section 11-400r.(1) that results in a failure to maintain its RCL shall be subject to the provisions of Section 11- 402.443.

*per agency  
policy  
7-25-84*

.442 (Continued)

- .443 The Department shall verify the self-reported information submitted in accordance with Section 11-402.441 by a group home provider that the program has failed to maintain the RCL as defined in Section 11-400f.(1) and set a new rate based on the new information provided.

.444 (Continued)

.445 (Continued)

.45 Program Reinstatement

- .451 A program reinstatement is a process to re-establish a program that has been terminated as specified in Sections 11-402.39, 11-402.524, 11-402.525, 11-402.526, 11-402.527, 11-402.667, 11-402.668, and 11-402.669, and 11-402.7. A program shall be reinstated when the Department determines that all appropriate application requirements specified in Sections 11-402.3 and 11-402.667 have been met. (Continued)

.453 The rate shall be set, based on the RCL for the fiscal year, at the lesser of: (Continued)

(b) The floor rate of the RCL in which the program is reinstated.

.5 Program Audits

.51 The Department shall conduct full or partial program or fiscal audits of any program, as often as necessary, to ensure compliance with all requirements within this section. The Department shall audit the documents submitted with the rate application request and the actual program projected in the rate application and any supporting documentation used to prepare the rate application. The scope of a program audit shall focus on the hours and weightings of workers in each of the three program components and Direct Contact Contracts. Audits shall be conducted at the group home site, within the Foster Care Rates Bureau (FCRB) office or other sites as determined appropriate by the FCRB. The Department shall provide the group home program 30 calendar days written notice prior to conducting a program or fiscal audit.

.511 The Department may conduct a program audit earlier than the normal schedule at a provider's request in order to reduce or minimize an overpayment. (Continued)

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.513 Beginning January 1, 1994, unless otherwise specified in law, a program audit will follow the field work standards contained in the "Field Work Standards for Performance Audits" section of "Government Auditing Standards" (Rev. 1988) by the Comptroller General of the United States, United States General Accounting Office.

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.514 Noncompliance by the Department with the "Field Work Standards for Performance Audits" section of the "Government Auditing Standards" (Rev. 1988) by the Comptroller General of the United States, United States General Accounting Office, shall not preclude or bar the Department from sustaining or collecting actual overpayments, or otherwise invalidate an audit report.

.52 Providers shall maintain program records for a minimum of five years and make them easily accessible to any Departmental staff conducting program audits. Program records to be maintained include, but are not limited to the following:

.521 Personnel records, which may include, but are not limited to:

- (a) Current licenses; diplomas/certificates; copies of official transcripts if major shown on diploma is other than those listed as an equivalent for the appropriate program component; or diploma is from a non-accredited school; dated, original applications for employment and/or resumes; time sheets; salary schedules showing hours and amount paid; employee benefits; contracts; training and development documents; job descriptions (including position title and classification, duties and responsibilities); group home organization charts; payroll register; DE 3DP Quarterly Contributions Return; IRS form #1099-Miscellaneous Income; copies of cancelled checks (front and back) and any other records that document proof of payment; and documented verification or phone verification with supporting documentation of qualified previous employment as a residential child care worker. Employment verification for previous residential child care worker experience shall show name of previous employer, phone number of previous employer, whether employee was full-time or part-time, paid or volunteer, beginning and ending dates of employment, and job description(s) (including position and title and classification, duties and responsibilities).
- .522 Case management records, which may include, but are not limited to:
- (a) Treatment plan; psychological evaluations/reports; medical evaluations/releases; mental health professional billings including Medi-Cal billings; education evaluations/information; correspondence; dictation and documentation of services provided; court orders; quarterly reports/program reports; information required by licensing regulations under Title 22; verification from the placement agency required in Section 11-402.411(a)(7); all RCL significant information pertaining to a client shall be included in the client's record; and mental health professional's daily logs and notes which verify that services were provided to children in placement.
- .523 Training program records which document all the information in the training log such as:
- (a) The date(s) of training; hours of duration of each training session; certification of completion; name of trainer; qualifications and certification of the trainer; documentation showing provider paid any costs for training, including employee wages and benefits; title and a short paragraph about the subject of the training and a list of attendees with their original signatures on a sign-in sheet for training provided onsite by a group home provider or independent third-party verification for training that is provided offsite or by an entity other than the group home provider; and any information as outlined in Sections 11-400t.(1) and (2).

.524 A group home provider shall provide or allow the Department access to group home program records needed to establish a rate pursuant to a rate application, conduct a fiscal or program audit, evaluate cost data reported by group home providers, or enable the Department to collect an overpayment.

(a) A group home provider, submitting an annual rate application, requesting a rate that will be effective for the next fiscal year, shall be subject to the requirements of Sections 11-402.31 through .39.

(b) An existing group home provider submitting a rate application for a new program or program change or new group home provider submitting a rate application for a new program shall submit a completed rate application in accordance with Section 11-402.4.

(1) If the Department determines that a rate application is incomplete, the group home provider shall be allowed to submit additional information to complete the rate application. The due date for the additional information shall be 30 days from the postmark date of the Department's additional request for information.

(2) The effective date of the rate for a group home provider who initially submits an incomplete rate application shall be the postmark date or the date the additional information is hand-delivered to the Department but not earlier than the effective date specified in Section 11-402.4.

(3) A group home provider who does not submit the additional information requested by the Department shall not be eligible to have a rate established for the group home program for which the rate application was submitted.

.525 A group home provider shall provide or allow the Department access to group home program records needed to conduct either a fiscal audit in accordance with Sections 11-402.7 and 11-402.8 or a program audit in accordance with Section 11-402.5 or evaluate reported cost data from group home providers.

(a) The Department shall provide written notice to a group home provider prior to conducting either a fiscal or program audit in accordance with Section 11-402.51.

(b) A group home provider who does not provide the Department with access to group home program records for either a fiscal or program audit shall have its rate terminated pursuant to Section 11-402.39.



- .526 A group home provider shall provide or allow the Department immediate access to group home program records or facilities under Section 11466.1(a)(3) of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11466.1(a)(3) provides the following:

"(3) Group home providers shall allow the department immediate access to group home program information or access to a facility if the deputy director of the children and family services division of the department serves the group home provider with notice that, in the opinion of the deputy director, the immediate access to a facility or group home program information is required based on one of the following conditions or circumstances:

- (A) A temporary suspension order has been served on a group home provider.
- (B) Based on reliable evidence, the department has a valid basis for believing that proceedings have been, or will shortly be, instituted against a group home provider in a state or federal court for purposes of determining whether the provider is insolvent or bankrupt under appropriate state or federal law.
- (C) A group home provider is, or will shortly be taking, action that might reasonably hinder or defeat the department's ability to collect overpayments in the future."

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- (a) A group home provider who does not provide immediate access to the Department under Section 11-402.526 shall have its rate terminated.
  - (1) The Department shall provide written notice to the group home provider of the rate termination date.
  - (2) The effective date of the rate termination shall be 30 days after the postmark date of the rate termination notice.
  - (3) A copy of the termination notice shall be sent to the host county, the primary placing county, and any other counties which may be affected by the rate termination.

.527 A group home provider shall provide or allow access to group home program records needed to collect self-reported or sustained overpayments which shall include, but not be limited to, the following:

- (a) Information pertaining to the ownership status of a group home provider's real and personal property, accounts in financial institutions, and any other assets shall be provided to the Department within 30 days of the postmark date of the Department's request.
- (b) The information which shall be provided to the Department within 30 days includes, but is not limited to, the following:
  - (1) The taxpayer identification number of the nonprofit corporation and the date of birth, social security number, and driver license number for any individual or member of a partnership owing an overpayment.
  - (2) The location and address of any real or personal property owned by the nonprofit corporation.
  - (3) A copy of the property deed for any property owned by a nonprofit corporation, individual, or member in a partnership owing an overpayment.
  - (4) Information concerning fictitious business names utilized by the corporation.
- (c) A completed Group Home Program Days of Care Schedule - SR 5 (Rev. 12/92) shall be submitted on a monthly basis.
- (d) A group home provider who does not provide the Department with the requested information shall have its rate terminated. In such cases, the following requirements shall be met prior to the termination of a group home program rate:
  - (1) The Department shall provide written notice to the group home provider of the rate termination date.
  - (2) The effective date of the rate termination shall be 60 days after the postmark date of the rate termination notice.
  - (3) The Department shall provide a copy of the termination notice to the host county and the primary placing county.

.53 Conducting Program Audits

.531 Program audits of on-going programs with no program changes during the audit period shall be conducted by reviewing the provider's report of the actual RCL and program information for the audit period. (Continued)

(b) The Department shall:

(1) Select and review for accuracy no fewer than two months, plus the most current completed month of operation, of reported data for each fiscal year of the audit period. (Continued)

.532 Program audits of new programs and program changes may be started no later than the 12th month of operation.

(a) The audit process in Section 11-402.53 shall be used except that:

(1) In the case of program changes ~~and new programs~~ by on-going providers, the audit period shall include a review of the months prior to the program change as well as a review of the months following the program change. For program changes, the months of each RCL shall be audited separately as a separate audit period. For new programs of on-going providers, the audit period shall be determined in accordance with Section 11-402.41. A new audit period shall begin in the month in which the program change or new program is approved by the Department.

(2) In the case of new programs by new providers, the total audit period shall be the following:

(A) A group home program of a new group home provider who fails to be at the projected RCL by the 7th month and fails to maintain its RCL through the 12th month of operation, shall be audited for the first 6 months of operation. Each of the first six months shall be subject to review and compared to the projected RCL for the same month. Any remaining months needed to complete a fiscal year shall be included in the audit period. (Continued)

(C) For an audit of a group home program of a new group home provider, the audit period shall include any months after the 12th month of operation which remain in the fiscal year.

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1. Example A: A program audit of a new program from a new group home provider who has a rate effective July 1 shall have included in its audit period 12 months which shall include a full fiscal year for the period July 1 through June 30.
2. Example B: A program audit of a new program from a new group home provider who has a rate effective August 1 shall have included in its audit period 23 months which shall include any months after the 12th month of operation which remain in a fiscal year (i.e., August 1, 1990 through July 31, 1991 [12 months] plus August 1, 1991 through June 30, 1992 [11 months]).
3. Example C: A program audit of a new program from a new group home provider who has its rate effective June 1 shall have included in its audit period 13 months which shall include any months after the 12th month of operation which remain in a fiscal year (i.e., June 1, 1990 through May 31, 1991 [12 months] plus June 1 through 30 of 1991 [1 month]). (Continued)

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### .534 Exit Conference and Notification

- (a) The Department shall conduct an exit conference with the provider at the conclusion of the program audit.
- (b) A draft written summary of preliminary findings shall be provided at the exit conference. The exit conference shall be subject to the provisions of Section 11-407.111.
- (c) The audit report shall be mailed to the provider within 45 days after the exit conference.
  - (1) The audit report shall contain specific information concerning the program audit findings; the specified time frames for providers to take corrective action; the procedures for overpayment collections and the right to administrative review.
  - (2) The audit report shall be subject to the provisions of Section 11-407.113.

- (3) Notification of audit findings shall be mailed to the host and/or primary placing counties 60 days after the postmarked date of the audit report required in (c) above.
- (4) Notwithstanding Section 11-402.534(c), if additional information is submitted by the group home provider, the date the audit report is due may be extended.  
(Continued)

.55 Corrective Action

.551 The Department shall allow the provider to bring a current program into compliance with the projected RCL within 60 days of the notice of audit findings or within 30 days of the notice of a self-reported overpayment when the recomputed RCL as determined by a program audit or review of a rate application of the same program, is less than the projected RCL. See Sections 11-402.534(c) and 11-402.632.

- (a) After 60 days following the notice of audit findings or 30 days following the notice of a self-reported overpayment the Department shall reduce the RCL and rate to minimize any current overpayment.

.552 Evidence that corrective action has been implemented shall be supported by adequate documentation which includes, but is not limited to, the following:

- (a) A written narrative of all changes made to the group home program which demonstrates the program is operating at the current paid RCL as requested by the group home provider or determined by the Department;
- (b) Copies of timesheets/cards, payroll register, college degrees and/or transcripts, professional licenses, and documentation to support child care experience;
- (c) Program Classification Report - SR 2 (Rev. 11/92);
- (d) Child Care and Supervision Component Program Worksheet - SR 2A (Rev. 4/92);
- (e) Social Work Component Program Worksheet - SR 2B (Rev. 7/91); and
- (f) Mental Health Component Program Worksheet - SR 2C (Rev. 7/91).

.56 Audit Adjustment Process

.561 The Department shall adjust its audit findings of a group home program audit pursuant to Section 11462(f)(3) of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11462(f)(3) provides the following:

"The department shall not reduce the rate, establish an overpayment, or take other actions pursuant to paragraph (2) for any period that a group home program maintains the level of care and services associated with the RCL for children actually residing in the facility. Determinations of levels of care and services shall be made in the same way as modifications of overpayments are made pursuant to paragraph (2) of subdivision (b) of Section 11466.2."

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- .562 Beginning with fiscal year 1990-91, the Department shall adjust its audit report of a group home program audit conducted pursuant to Sections 11-402.5 and 11-402.6 and adjusted in accordance with Section 11-402.561 if all of the following requirements are met:
- (a) The group home program hours of care and supervision provided per child in placement equal or exceed the level of care and services that are projected for the group home program's RCL;
  - (b) The group home program hours for social work activities and mental health treatment services provided to children in placement shall be provided on a proportional per child basis to the amount originally projected in a group home program's annual rate application request, new program application request, program change application request, corrective action application request, or a program reinstatement application request;
  - (c) The group home program hours provided for child care and supervision in excess of its proportionate share shall not be substituted for staff hours provided in the areas of social work activities or mental health treatment services; and
  - (d) In order to qualify for an audit adjustment, a group home provider shall provide, at a minimum, the level of care and services projected on line 16 of the Program Classification Report (SR 2, Rev. 11/92), per child per month, for children actually in placement, in each of the service components of child care and supervision, social work activities, and mental health treatment services.
  - (~~d~~e) The group home program shall provide 24-hour care and supervision in accordance with subsection (a) of Section 84000 of Article 1 of Chapter 5 of Division 6 of Title 22 of the California Code of Regulations.

- .563 A group home provider who does not meet the requirements listed in Sections 11-402.561 and 11-402.562 shall not be eligible for an audit adjustment.
- .564 A group home provider who does not meet the requirements listed in Sections 11-402.561 and 11-402.562 shall not be eligible to have an overpayment amount lowered from the overpayment amount originally determined by an audit.
- .565 A group home program's RCL shall not be adjusted if it meets the requirements listed in Section 11462(f)(4) of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11462(f)(4) provides:

"Beginning July 1, 1994, for group homes paid at rates below the standard rate established by subsection (g), a group home program shall remain at its current RCL if it maintains at least the level of care and services associated with that percentage of points required to be at that RCL that equals the percentage of the standard rate used to establish the group home's rate. In no event, however, shall points per child per month be reduced more than ten points below the minimum required for the current RCL. The RCL for a program shall not increase due to the operation of this paragraph absent any program changes approved by the department pursuant to subdivision (k)."

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- .566 A group home program that substantially changes its staffing pattern shall notify all placing counties in accordance with Section 11462(f)(5) of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11462(f)(5) provides:

"A group home program that substantially changes its staffing pattern from that reported in the group home program statement shall provide notification of this change to all counties that have placed children currently in care. This notification shall be provided whether or not the RCL for the program may change as a result of the change in staffing pattern."

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.57 Disagreements

- .571 A provider who disagrees with the findings of a program audit and requests a different rate, shall be permitted to request an administrative review of an audit report with the Department within 60 days of the postmarked date of the notice of program audit results, as specified in Welfare and Institutions Code Section 11468.6.

- (a) The provider's reduced RCL and rate set by the Department shall remain in effect during the administrative review process.

## .6 Overpayments

- .61 The Department shall recover all overpayments resulting from a group home provider self-reporting an overpayment or a program or fiscal audit that is sustained in accordance with Section 11466.22(d)(2) of the Welfare and Institutions Code.
  - .611 The Department shall collect a group home provider overpayment from the licensee or the responsible party for the overpayment in accordance with Section 11466.22(b) of the Welfare and Institutions Code.
  - .612 The Department shall collect interest on a group home provider overpayment in accordance with Sections 11466.22(d)(3) or (4), Section 11466.22(f), Section 11466.25, and Section 11466.3(b) of the Welfare and Institutions Code.
  - .613 A group home provider who is successful in its appeal of a collected overpayment shall be reimbursed the collected overpayment plus interest in accordance with Section 11466.22(g) of the Welfare and Institutions Code.
  - .614 (Continued)
- .63 Overpayments shall be determined by:
  - .631 The provider reporting information to the Department related to the annual rate application, new program and RCL changes.
  - .632 The group home provider self-reporting an overpayment.
    - (a) A group home provider who self-reports an overpayment may reconcile the previously submitted information with corrected information which shall be subject to the following:
      - (1) A group home provider who modifies a self-reported overpayment shall meet the documentation requirements contained in Sections 11-402.3, 11-402.4, 11-402.5, 11-402.7, and 11-402.8.
      - (2) A group home provider who fails to reconcile in accordance with Section 11-402.632(a)(1) shall be subject to Sections 11-402.3, 11-402.5, and 11-402.6.
      - (3) A group home provider shall have 30 days from the postmark date of the letter notifying the provider of an overpayment to reconcile self-reported information that identifies the overpayment.



(b) The information submitted by a group home provider which identifies a self-reported overpayment shall be subject to the audit adjustment process contained in Section 11-402.56.

.633 The Department verifying through a fiscal audit that a group home provider expended AFDC-FC program funds inappropriately.

.634 The Department verifying an actual lower than projected RCL during the rate application process or a program audit.

.64 Overpayment Processing: (Continued)

.643 The amount of overpayment shall be computed by: (Continued)

(b) Subtracting the average in (a) from the lowest point level in the point range of the projected RCL for the audit period to determine the number of points below the projected average RCL. The number of points below the projected average RCL shall be used to determine the overpayment factor as follows:

Number of Points below projected average RCL	Overpayment Factor
(1) 1 - 5	= \$100
(2) 6 - 10	= \$200
(3) 11 - 30	= 100 percent of the difference between the rates in the projected and actual RCLs. The difference shall be determined by subtracting the dollar amount corresponding to the rate floor of the audited RCL for the audit period from the actual paid rate. (Continued)

(e) If the actual audited average RCL is more than one RCL below the projected average RCL, the overpayment is computed by adding the difference in the rates between the RCL(s), as computed in accordance with Section 11-402.643(b)(3), plus the overpayment factor for the partial RCL. (Continued)

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.644 Example: The actual average RCL is one RCL below the projected average RCL. A provider has a six-bed facility with an average of five actual occupancy. Projected RCL for FY(s) 90-91 and 91-92 is RCL 6, point range 180-209. The following are the actual monthly points generated by the provider:

Months:	J	F	M	A	M	J	J	A	S	O	N	D
	190	170	170	190	170	120	120	190	180	180	180	180

- (a) 2040 pts./12 mos. = 170 total monthly average points for the audit year. The overpayment is: 10 pts. = \$200 X 5 actual average occupancy X 12 mos. = \$12,000.

Example B: The actual average RCL is more than one RCL below the projected average RCL. A group home provider has a six-bed facility with an average of five actual occupancy. Projected RCL for FY(s) 90-91 and 91-92 is RCL 6, point range 180-209. The following are the actual monthly points generated by the group home provider:

Months:	J	F	M	A	M	J	J	A	S	O	N	D
	145	157	133	151	141	141	151	145	133	157	145	141

1740 points/12 months  $\neq$  145 (RCL 4) total monthly average points for the audit year. The overpayment is: 35 points = \$352 total overpayment factor X 5 actual average occupancy X 12 months = \$21,120. *per agency 7-25-94*

Projected RCL Points (180) minus Audited Points (145) equals Points Below RCL (35)

Total RCL Point difference	35
Number of points between each RCL	-30
Remaining number of points below RCL	5

#### Determination of Overpayment Factor:

Paid RCL (6)	=	\$2,258
Less one full RCL (5)		-2,006
100 percent difference		\$252
Plus remaining overpayment factor [11-402.643(a)]		+100
Total overpayment factor		\$352

Overpayment calculation: \$352 total overpayment factor X 5 actual average occupancy X 12 months = \$21,120 (Continued)

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#### .66 Overpayment Collection

.661 The Department shall collect group home provider overpayments in the following order of priority:

- (a) A lump sum repayment (see Section 11-402.662).
- (b) A repayment agreement (see Section 11-402.663).

(c) A mandatory repayment schedule (see Section 11-402.664).

(1) A rate request denial (see Section 11-402.667).

(2) Rate termination (see Section 11-402.668).

.662 The Department shall allow a group home provider who owes either a self-reported or sustained overpayment to repay the overpayment amount in a lump sum payment.

.663 The Department shall allow a group home provider who owes either a self-reported or sustained overpayment to repay the overpayment amount through a repayment agreement, as defined in Section 11-400r.(5). The repayment agreement shall be entered into within 30 days from the date of a sustained overpayment or 30 days from the postmark date of a letter notifying a group home provider of a self-reported overpayment and shall contain all of the following terms:

(a) The overpayment amount plus interest in accordance with Section 11-400r.(5) shall be repaid within 9 years from the date the repayment agreement is effective:

(1) The overpayment amount shall become due and payable in accordance with Section 11-400o.(3).

(2) Interest on the overpayment amount shall become due in accordance with Section 11466.25 of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11466.25 provides the following:

"(a) Interest begins to accrue on a group home provider overpayment at the latest of the following:

(1) Sixty days after the notice of the final audit report if an informal hearing is not requested.

(2) Sixty days after the notice of the informal hearing decision if the final audit findings are adjusted and a group home provider or the department does not request a formal appeal.

(3) Thirty days after a formal appeal hearing decision if the final audit findings or the informal hearing decision is adjusted by the hearing officer.

(d) Interest shall not accrue for the period between the date a hearing decision is due and the date that the decision is rendered."

#### HANDBOOK ENDS HERE

- (b) The repayment agreement shall include the amount of the overpayment plus interest for the audit period during which the specific program incurred the overpayment.
- (c) The minimum monthly repayment amount to be used for a repayment period not to exceed 9 years for the overpayment amount including interest shall be 3 percent of the program's monthly income. The interest shall be based on the following:
  - (1) Simple interest based on Surplus Money Investment Fund for the first seven years.
  - (2) Simple interest based on the prime rate plus three percent for the eighth and ninth years.
- (d) Payments shall be made payable to the California Department of Social Services, or a group home provider may choose to repay the overpayment including interest in accordance with Section 11-402.664.
- (e) Monthly payments shall be sent by certified mail, domestic receipt requested, to the following address:

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES  
744 P Street, M.S. 14-68  
Sacramento, California 95814  
ATTN: Cashier

- (f) The repayment agreement, at a minimum, shall specify the number of months of the agreement, the amount of the monthly payment, and the date the payment is due.
  - (1) The overpayment plus interest shall be repaid no later than nine years from the date the repayment agreement is effective.
  - (2) A group home provider may choose one of the following options to ensure that the requirement in Section 11-402.662(f)(1) is met.
    - (A) A lump sum repayment for any remaining overpayment amount plus remaining interest at the end of the 9-year repayment period.
    - (B) A monthly repayment amount that is higher than the minimum amount required in Section 11466.22(d)(3) of the Welfare and Institutions Code that will ensure that the overpayment amount plus interest is repaid within 9 years.

(g) The Director may renegotiate a repayment agreement if adhering to the repayment agreement results in severe harm to children in placement and all of the following conditions exist:

(1) A group home provider requests that the Department renegotiate the repayment agreement because it is unable to meet its obligations under the agreement.

(2) A group home provider shall provide to the Department written documentation from an independent financial or accounting agency that certifies the following:

(A) The group home provider is unable to meet its obligation to make monthly payments to repay the overpayment plus interest in order to comply with Section 11-402.663 and also maintain the level of care and services associated with its RCL; and

(B) The group home provider has evaluated existing program operations and has implemented reductions, wherever possible, to current operating expenses, contracts, leases, and salary levels.

(3) A group home provider shall obtain and forward a declaration to the Department, signed by the Director of the host or primary county, that the following conditions exist:

(A) There is no other placement resource that meets the needs of the current children in placement; and

(B) The transfer from the current program to another program will result in the disruption of successful placements of the current children.

.664 The Department shall apply a mandatory repayment schedule against a group home provider who owes either a self-reported or sustained overpayment if the group home provider does not enter into a repayment agreement in accordance with Section 11-402.663 or the group home provider has three outstanding payments on a repayment agreement before an overpayment is repaid. The mandatory repayment schedule shall be subject to the following requirements:

(a) The overpayment amount plus interest in accordance with Section 11-400m.(1) shall be repaid within 7 years from the date the mandatory repayment schedule takes effect.

(1) The overpayment amount shall become due and payable in accordance with Section 11-400o.(3).

- (2) Interest on the overpayment amount shall become due and payable in accordance with Section 11466.25 of the Welfare and Institutions Code.
  - (3) The monthly repayment amount referenced in Section 11466.22(d)(4) of the Welfare and Institutions Code shall be raised to an amount that will ensure that the overpayment plus interest shall be repaid within 7 years of the effective date of the mandatory repayment schedule.
- (b) The mandatory repayment schedule shall recover the overpayment amount plus interest for the audit period during which the specific program incurred the overpayment.
  - (c) The minimum monthly repayment amount for the overpayment amount including interest shall be 5 percent of the program's monthly income. The interest shall be based on the following:
    - (1) Simple interest based on the Surplus Money Investment Fund.
  - (d) The Department shall collect overpayments under the mandatory repayment schedule by the use of an RCL reduction in accordance with Section 11-400r.(3) against current group home provider rate reimbursement payments under the AFDC-FC program.
  - (e) The Department shall issue, to a provider and the counties, a rate letter that indicates the amount of the RCL reduction which will be applied to the monthly overpayment amount including interest and the amount of the actual rate reimbursement to the group home provider during the period the mandatory repayment schedule will be in effect.
  - (f) The Department shall provide an annual report regarding the status of departmental collection activities to all counties and group home providers subject to the following:
    - (1) Repayment Agreement; and
    - (2) Mandatory Repayment Schedule.

.665 A group home provider subject to an mandatory repayment schedule shall be subject to the following requirements:

- (a) In addition to the monthly RCL reduction amount subject to Section 11-402.664, fifty percent of any California Necessities Index (CNI) increases and any adjustments to the Standardized Schedule of Rates in the AFDC-FC program shall be withheld and applied towards a group home provider overpayment until a mandatory repayment schedule recovers any outstanding overpayments.

(b) Any group home provider subject to a mandatory repayment schedule in accordance with Section 11-402.664, shall be ineligible to receive a program change that results in an RCL increase until the mandatory repayment schedule recovers the overpayment or the host or primary placing county requests a waiver from the Department.

(1) The waiver request shall be in writing.

(2) The increased rate reimbursement resulting from the RCL increase shall be subject to the requirements in Section 11-402.664.

.666 The Department may file a certificate against the real or personal property of a group home provider in accordance with Section 11466.33 of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11466.33 provides the following:

"(a) If any amount is due and payable to the department as a result of sustained overpayment to a group home provider for care and services in the AFDC-FC program, the department may file, in the office of any county clerk of any county in which the group home provider has real or personal property, a certificate if any of the following conditions are met:

(1) No informal hearing is requested and if a provider has not submitted a voluntary repayment agreement along with the first payment, and 60 days have elapsed from the notice of audit results.

(2) No formal appeal is requested and if a provider has not submitted a voluntary repayment agreement along with the first payment, and 60 days have elapsed from the notice of the informal hearing decision.

(3) A provider has not submitted a voluntary repayment agreement along with the first payment, and 30 days have elapsed after an adverse appeal decision by a hearing officer that sustains an overpayment.

(b) The certificate provided for pursuant to subdivision (a) shall contain:

(1) The amount due, owing, and unpaid, plus simple interest on the amount owing and unpaid beginning on the date the certificate is filed.

(2) A statement that the department has complied with this section prior to the filing of the certificate.



(3) A request that a lien be recorded against the group home provider in the amount set forth in the certificate.

(c) The county clerk immediately upon the filing of the certificate shall record the lien for the State of California against the group home provider in the amount set forth in the certificate. The lien may be filed in the chain of title of the property.

(d) The department shall pay the cost of the first lien, and group home providers shall be responsible for any subsequent liens on a sustained overpayment.

(e) For the first certificate filed by the department pursuant to this section, the county shall waive all filing fees."

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(a) The Department may establish a judgment lien in accordance with Section 11466.34 of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11466.34 provides the following:

"(a)(1) At any time within 10 years of the recording of a lien pursuant to Section 11466.33, the department may bring an action, in a superior court in the county in which the lien is filed, seeking a judgment to establish the lien as a judgment lien.

(2) If a judgment is obtained pursuant to paragraph (1), the county recorder shall record the lien as a judgment lien.

(b) An abstract of judgment obtained pursuant to subsection (a) or a copy thereof may be recorded with the county recorder of any county. From the time of recording, the judgment shall constitute a lien upon all real or personal property of the group home provider in that county owned by the group home provider at the time, or that the group home provider may afterwards, but before the lien expires, acquire. The judgment lien shall continue for 10 years from the time of recording of the abstract of judgment obtained pursuant to subsection (a), unless sooner released or otherwise discharged.

(c) The judgment lien may, within 10 years from the date of recording of the abstract of judgment or within 10 years from the date of the last extension of the lien in the manner provided in this section, be extended by recording a new abstract in the office of the county recorder of any county. From the date of that recording, the lien shall be extended for 10 years, unless sooner released or otherwise discharged."

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- (b) The Department may release a lien on a group home provider's property in accordance with Section 11466.34(d) of the Welfare and Institutions Code.

HANDBOOK BEGINS HERE

Welfare and Institutions Code Section 11466.34(d) provides the following:

"(d) The department may release any lien imposed pursuant to this chapter, at the provider's cost, in which case any judgment pertaining to that lien is for all purposes null and void, if all the following conditions are met:

(1) No temporary suspension order or license revocation actions by the department's community care licensing division is pending against a provider.

(2) A provider has made at least three timely payments on a repayment agreement.

(3) The provider submits to the department corroborative evidence that it is unable to obtain a loan from an institutional lender unless the lien is released."

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- (1) Prior to the Department releasing a lien under this subsection, the group home provider shall forward to the Department a check made payable to the California Department of Social Services for the appropriate county filing fee, if applicable, through certified mail, domestic receipt requested, to the following address:

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES  
744 P Street, M.S. 14-68  
Sacramento, California 95814  
ATTN: Cashier

- (2) The corroborative documentation in accordance with Section 11-402.666(b) shall be in writing.

.667 Any group home provider who has its rate terminated and has any outstanding self-reported or sustained overpayments shall be ineligible to receive a rate for any group home program until all overpayments are repaid.

- (a) Annual rate applications shall not be approved for any group home provider under either of the following circumstances:

(1) A group home provider owing either a self-reported or sustained overpayment and incurring a second overpayment shall not be eligible to receive a rate until the overpayments are repaid.

(2) Any group home provider incurring a self-reported or sustained overpayment that constitutes more than 60 percent of the group home provider's annual rate reimbursements shall not be eligible to receive a rate until the overpayment is repaid.

(b) Notwithstanding Section 11-402.667(a), a group home provider with an approved repayment agreement shall be eligible for a rate for either an existing or future group home program.

.668 The Department shall terminate a group home program's rate for a self-reported or sustained overpayment in accordance with Section 11466.36(a) of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11466.36(a) provides the following:

"(a) The department may terminate a group home rate if any of the following conditions are met:

(1) The director determines that, based upon the findings of a hearing officer, a rate application or information submitted by a provider was fraudulently submitted to the department.

(2) A provider with an outstanding sustained overpayment incurs a second sustained overpayment, and is unable to repay the sustained overpayments.

(3) A provider has a sustained overpayment that represents 100 percent of a provider's annual rate reimbursement."

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.669 A group home provider that has a rate terminated under Section 11-402.668 shall have the rate terminated in accordance with Sections 11-402.391(a), (b), and (d) and 11-402.392.

### .7 Fiscal Audits

.71 Group home fiscal audits shall be performed by the Department, its agents, or by an audit agency of the federal government. (Continued)

.712 A group home program shall maintain, at a minimum, the following documentation to support AFDC-FC program expenditures for a period of not less than five years:

- (a) Copies of all contracts and leases, time sheets/time studies, cancelled checks, payroll register/salary schedule, payroll taxes, DE 3DP Quarterly Contributions Return, IRS Form #1099-Miscellaneous Income, and cash receipts.
- (b) Children's case files, and daily logs and notes of staff performing social work and mental health activities which verify that activities/services were provided to children in placement.

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- .713 Beginning January 1, 1994, unless otherwise specified in law, a fiscal audit will follow the field audit standards contained in the "Field Work Standards for Financial Audits" section of "Government Auditing Standards" (Rev. 1988) by the Comptroller General of the United States, United States General Accounting Office.

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- .714 Noncompliance with the "Field Work Standards for Financial Audits" section of "Government Auditing Standards" (Rev. 1988) by the Comptroller General of the United States, United States General Accounting Office, shall not preclude or bar the Department from sustaining or collecting actual overpayments, or otherwise invalidate an audit report. (Continued)
- .74 A provider shall be responsible for making available all requested records and documents as referenced in Sections 11-402.72 and .73 during fiscal audits.
- .741 A provider's refusal to cooperate with the Department by not providing the requested records, documents, or allowing immediate access to the requested documents, records or facilities shall result in rate termination as specified in Sections 11-402.524, 11-402.525, and 11-402.526.

.8 Cost Reporting

- .81 Providers shall report the actual allowable and reasonable costs for each program to the Department on the Form SR 3 (Rev. 12/92), SR 4 (Rev. 12/92) and SR 5 (Rev. 12/92) for the 12 months of the immediately preceding calendar year beginning January 1 and ending December 31 except: (Continued)

.82 Allowable Costs

Reported costs shall be actual allowable and reasonable as defined in federal statutes and regulations including 45 CFR, Part 74 and 45 CFR, Part 1356 in addition to other costs listed in .822 and .823.  
(Continued)

.827 Cost Components. The nine cost group definitions are as follows:  
(Continued)

(b) Social Work Activity. All costs related to the direct social work services described in Sections 11-400s.(3) and 11-402.212, including but not limited to, payroll, payroll taxes, employee benefits, and contract costs, if a social worker is under contract. (Continued)

Authority Cited: Sections 10553, 10554, 11462(j), 11466.1, and 11466.2, Welfare and Institutions Code and Chapter 1294, Statutes of 1989, Section 23.

Reference: Sections 10852, 11460, 11462, 11462(a)(2) and (a)(3), 11462(i)(1)(B), 11462.03, 11466.1, 11466.2, 11466.3, 11466.4, 11466.22, 11466.25, 11466.31, 11466.32, 11466.33, 11466.34, 11466.35, 11466.36, 11467, 11468 through 11468.6 and 18350, Welfare and Institutions Code, Assembly Bill 2129, Chapter 1089, Statutes of 1993, Senate Bill 415, Chapter 950, Statutes of 1993, and The Classification of Group Home Programs Under the Standardized Schedule of Rate System Report, August 30, 1989.

Amend Section 11-407 to read:

11-407 AFDC-FOSTER CARE ADMINISTRATIVE REVIEW PROCEDURES

11-407

.1 Administrative Review of Departmental Audits for Group Home Programs and Foster Family Agencies.

.11 Exit Conference and Audit Report

.111 Prior to the issuance of an audit report by the Department, a group home provider/foster family agency shall be afforded the opportunity to participate in an exit conference. The purpose of the exit conference is to:

(a) Inform the group home provider/foster family agency of the preliminary audit findings and to review any specific situations in which the records reviewed by the Department were not found to substantiate the RCL level or rate paid to the group home provider/foster family agency.

(b) Allow the group home provider/foster family agency an opportunity to identify and present any specific records relevant to the audit findings but not reviewed by the Department.

.112 At the conclusion of the exit conference, the Department shall provide the group home provider/foster family agency with a copy of the preliminary draft audit findings. The Department shall notify the group home provider/foster family agency that the Department will issue an audit report within 45 days after the exit conference and shall inform the group home provider/foster family agency of the administrative review procedure relative to audit findings. Within 15 calendar days of the exit conference, the group home provider/foster family agency shall submit to the Department any records which were identified by the group home provider/foster family agency at the exit conference as relevant to the audit findings but were not available for review by the Department at that time.

.113 An audit report issued by the Department shall include the following:

(a) A complete listing of audit findings, including all items to which an exception has been taken, the RCL point or other value of each audit finding, and the authority cited for each audit finding.

(b) Notice of the group home provider/foster family agency's right to an administrative review of certain audit findings contained in the audit report.

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- .114 Beginning January 1, 1994, unless otherwise specified in law, an audit report for a program audit will follow the reporting standards contained in the "Reporting Standards for Performance Audits" section of "Government Auditing Standards" (Rev. 1988) by the Comptroller General of the United States, United States General Accounting Office.
- .115 Beginning January 1, 1994, unless otherwise specified in law, an audit report for a fiscal audit will follow the reporting standards contained in the "Reporting Standards for Financial Audits" section of "Government Auditing Standards" (Rev. 1988) by the Comptroller General of the United States, United States General Accounting Office.

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- .116 Noncompliance by the Department with the "Reporting Standards for Performance Audits" and "Reporting Standards for Financial Audits" sections of "Government Auditing Standards" (Rev. 1988) by the Comptroller General of the United States, United States General Accounting Office, shall not preclude or bar the Department from sustaining or collecting actual overpayments, or otherwise invalidate an audit report.
- .12 Statement of Disputed Audit Findings
- .121 A group home provider/foster family agency may request an administrative review of an audit report to examine any disputed audit finding which results in an adjustment to the group home provider/foster family agency's rate for a previous audit period or that reduces the group home provider/~~foster family agency's~~ overall RCL point total or foster family agency reimbursement for a previous audit period by submitting a written request ("Statement of Disputed Audit Findings") to the Department, as follows:
    - (a) A Statement of Disputed Audit Findings shall be filed with the Department within 60 calendar days of the receipt of the audit report.
    - (b) The Statement of Disputed Audit Findings may be amended by the group home provider/foster family agency at any time during the 60 calendar day period.
  - .122 If a Statement of Disputed Audit Findings is not filed with the Department within the 60 calendar day period, the audit report will be deemed final unless the following requirements are met:
    - (a) A group home provider/foster family agency files a request for a good cause determination under Section 11-402.371 on or before the 50th calendar day period following the receipt of the audit report.

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(b) The Department makes a good cause determination in accordance with Section 11-402.372.

- .123 The Statement of Disputed Audit Findings shall be in writing, signed by the group home provider/foster family agency, and shall state the name, address and telephone number of the group home provider/foster family agency and of the agent, if any agent has been designated, and the date of signing of the Statement. A group home provider/foster family agency shall specify the name and address of the individual authorized on behalf of the group home provider/foster family agency to receive documents from the hearing officer or Administrative Law Judge, including the final decision of the Director, relating to the administrative review.
- .124 The Statement of Disputed Audit Findings shall be specific as to each audit finding in dispute, setting forth the group home provider/foster family agency's contention as to each disputed audit finding, the authority for each contention and the estimated amount or RCL point value for each disputed audit finding. The group home provider/foster family agency or the agent shall submit all supporting documentation relevant to the administrative review which may include the records maintained pursuant to Sections 11-402.521 through 11-402.523, payroll files and any other supporting documentation.
- .125 A Statement of Disputed Audit Findings shall only address specific audit findings contained in the audit report. Other issues, including but not limited to the authority of the Department to set rates, determine RCL points, conduct audits or collect overpayments, shall not be included in the Statement of Disputed Audit Findings for purposes of resolution in the administrative review.
- .126 If an informal hearing officer determines that a Statement of Disputed Audit Findings is not specific as to each audit finding in dispute, or that necessary supporting documentation is not included with the Statement of Disputed Audit Findings, the hearing officer shall notify the group home provider/foster family agency or the agent of the group home provider/foster family agency of the insufficiency. The "group home provider/foster family agency or the agent shall be granted 30 calendar days after the date of the mailing of the notice of insufficiency within which to file an amended Statement of Disputed Audit Findings or supply the necessary supporting documentation. If within the time permitted the group home provider/foster family agency or the agent fails to correct the insufficiency by amending or supplementing the Statement of Disputed Audit Findings as specified in the notice of insufficiency, the dispute as to those audit findings shall be denied.

.127 A group home provider/foster family agency may appeal a determination by the Department that a Statement of Disputed Audit Findings has not been filed on a timely basis. An "Order to Show Cause" hearing solely on the timeliness issue shall be held before an Administrative Law Judge pursuant to Section 11-407.5. The remedy for a group home provider/foster family agency in an "Order to Show Cause" hearing shall be limited to the filing of a timely Statement of Disputed Audit Findings pursuant to Section 11-407.12.

.13 Amended Audit Report

.131 An amended audit report may be issued by the Department for an audit period for which administrative review is pending if during the administrative review process the group home provider/foster family agency or its agent submits additional supporting documentation or other evidence that was not reviewed by the auditors at the time of the field audit.

.132 The informal hearing officer or Administrative Law Judge shall suspend the administrative review for a period not exceeding 120 days while the Department completes an amended audit report and the group home provider/foster family agency identifies any additional disputed audit findings contained in the amended audit report.

.133 After completion of an amended audit report by the Department, the group home provider/foster family agency may include any additional disputed audit findings in a pending administrative review by submitting an amended Statement of Disputed Audit Findings and necessary supporting documentation to the informal hearing officer or Administrative Law Judge.

.134 The informal hearing officer or Administrative Law Judge may dismiss the administrative review without prejudice to the right to request a subsequent administrative review under this article when he or she deems this course to be appropriate.

.14 Informal Hearing

.141 An informal hearing on the audit findings disputed by the group home provider/foster family agency in the Statement of Disputed Audit Findings shall be scheduled ~~as soon as reasonably possible~~ within 30 days of receipt of the Statement of Disputed Audit Findings. An informal hearing officer designated by the Department, but not reporting directly to the Foster Care Branch, shall preside at the informal hearing.

.142 Written notice of the time and place of informal hearing will be mailed to each party by the informal hearing officer at least 15 calendar days before the date of the hearing. This period may be shortened with the consent of the parties. Any party may waive notice.

- .143 Efforts shall be made to resolve the facts and issues in dispute in a fair and equitable manner, subject to the requirements of state and federal law. Disputed audit findings contained in the Statement of Disputed Audit Findings which are not discussed at the informal hearing shall not be deemed waived.
- .144 The informal hearing shall be electronically recorded unless the parties agree otherwise. The official record of the informal hearing shall include the electronic recording and all documents received for review by the informal hearing officer.
- .145 Unless otherwise agreed by the parties, the results of the informal hearing shall be served on the parties, within a reasonable time, in the form of a written Report of Findings.
- .146 The Report of Findings shall be considered final unless the group home provider/foster family agency submits a written Request for Formal Hearing in accordance with Section 11-407.15.
- .15 Request For Formal Hearing
- .151 Either party to an informal hearing may request a formal hearing by filing a Request for Formal Hearing within 30 calendar days of the issuance of the Report of Findings by the informal hearing officer.
- .152 The Request for Formal Hearing shall be in writing, signed by the group home provider/foster family agency or the authorized agent, or by an authorized representative of the Department, and shall state the name, address and telephone number of the requestor and the date of signing of the request. If a group home provider/foster family agency or its agent is the requestor, it shall specify the name and address of the individual authorized on behalf of the group home provider/foster family agency to receive all documents, including the final decision of the Director, relating to the formal hearing.
- .153 The Request for Formal Hearing shall specify whether the requesting party is requesting an oral administrative hearing or an administrative hearing based upon the official record developed in accordance with Section 11-407.144 without the taking of oral testimony or oral argument.
- .154 The Request for Formal Hearing shall include a copy of the Statement of Disputed Issues filed pursuant to Section 11-407.12 and the Report of Findings issued by the informal hearing officer. The Request for Formal Hearing shall be specific as to each audit finding which remains in dispute, setting forth the requestor's contention as to each disputed audit finding, the authority for each contention and the estimated amount or RCL point value for each disputed audit finding. The party filing the Request for Formal Hearing shall submit all supporting documentation relevant to the administrative review which may include the records maintained pursuant to Sections 11-402.521 through 11-402.523, payroll files and any other supporting documentation.

.155 A Request for Formal Hearing shall be submitted, via personal delivery or certified mail, domestic receipt requested, to the office and address specified in the informal hearing officer's Report of Findings or the transmittal letter included with the Report of Findings. At the same time, a copy of the Request for Formal Hearing shall be mailed, via certified mail, domestic receipt requested, to the opposing party.

.16 Request For Settlement Conference

.161 Either party to a formal hearing may request that a settlement conference be held by submitting a request to the Administrative Law Judge. If the Administrative Law Judge determines that a settlement conference is appropriate, it shall be scheduled and held as soon as reasonably possible. The Administrative Law Judge shall provide written notice of the date, time, and place of the settlement conference which shall be mailed to each party at least 10 days before the date of the conference. This period may be shortened with the consent of the parties. Any party may waive notice. Efforts shall be made to resolve the facts and issues in dispute in a fair and equitable manner, subject to the requirements of state and federal law.

.162 A formal hearing may be converted into a settlement conference if the parties mutually agree, or if the Administrative Law Judge otherwise deems it appropriate. In such cases, any applicable deadlines for the completion of the administrative review shall be extended as required.

.17 Response Documents and Administrative Record

.171 Within 60 days of receipt of a Request for Formal Hearing, the opposing party may submit a Response. A Response shall be specific as to each audit finding which remains in dispute, setting forth the opposing party's response to the requestor's contention as to each disputed audit finding, the authority for each response and the estimated amount or RCL point value for each disputed audit finding. A Response shall be submitted via personal delivery or certified mail, domestic receipt requested, to the address specified in the informal hearing officer's Report of Findings or the transmittal letter included with the Report of Findings. At the same time, the opposing party shall mail a copy via certified mail, domestic receipt requested, to the requestor or its authorized agent. The Administrative Law Judge may allow at a party's request, or from his/her own motion, additional information or argument from any party. The other party shall be provided a reasonable opportunity, as determined by the Administrative Law Judge, to respond to such additional submission.

.172 The administrative record shall include the documents specified in Sections 11-407.12, 11-407.15, and 11-407.171, all applicable laws, regulations and procedures, and those matters of which the Administrative Law Judge takes official notice. When an oral formal hearing is conducted, evidence received at that hearing will also be included in the administrative record.

.173 When a formal hearing is to be conducted based on the record without an oral hearing, the administrative record will be closed and the parties notified when the Administrative Law Judge determines that the record is complete. The Administrative Law Judge shall conclude a formal hearing based upon the written record within 180 days after filing the Request for Formal Hearing.

.18 Conduct A Formal Hearing

.181 When an oral administrative hearing has been requested or determined by the Administrative Law Judge to be appropriate, the hearing shall be conducted in accordance with Sections 11-407.44 through 11-407.74. The formal administrative hearing shall follow the procedures specified in Sections 11-407.5 through 11-407.74.

.2 Administrative review procedures for foster family agencies rate setting procedures and AFDC-FC rate setting procedures shall include protest proceedings and appeal proceedings.

.3 Protest Proceedings

.31 (Continued)

.32 (Continued)

.321 (Continued)

.322 (Continued)

.323 (Continued)

.324 (Continued)

.33 A group home provider may appeal a determination by the Department that a written protest regarding a departmental rate setting procedure has not been filed on a timely basis. An "Order to Show Cause" hearing solely on the timeliness issue shall be held before an Administrative Law Judge pursuant to Section 11-407.5. The remedy for a group home provider in an "Order to Show Cause" hearing shall be limited to the filing of a timely written protest pursuant to Section 11-407.31.

.34 (Continued)

.341 (Continued)

.35 (Continued)

.36 (Continued)

.361 (Continued)

.4 Filing an Appeal and Developing the Record

.41 A group home provider/foster family agency that does not concur with the decision letter set forth in Section 11-407.36 and requests a different rate shall file a written appeal with the Department within 60 days of receipt of the decision letter. The date of mailing of the appeal shall establish the filing date.

.411 (Continued)

.412 The written appeal shall specify whether the group home provider/foster family agency is requesting an oral administrative hearing, or an administrative hearing based upon the written record developed in accordance with Section 11-407.42 without the taking of oral testimony or oral argument.

.413 The appeal shall be submitted, via certified mail, domestic receipt requested, to the office and address specified in the decision letter. At the same time, a copy shall be mailed, via certified mail, domestic receipt requested, to:

California Department of Social Services  
Foster Care Rates Bureau  
744 P Street, M.S. 19-74  
Sacramento, CA 95814

.414 The request for appeal shall specify whether or not the group home provider/foster family agency desires that an informal conference be held. (Continued)

.42 Developing the Written Record.

.421 Within 60 days of receipt of an appeal of a rate setting protest decision letter, the Department shall submit its response to the appeal. The response shall include: (Continued)

.422 The Department's response shall be submitted by personal delivery or certified mail, domestic receipt requested, to the office and address specified in Section 11-407.413. At the same time, the Department shall mail a copy via certified mail, domestic receipt requested, to the group home provider/foster family agency.

.423 The group home provider/foster family agency may submit a written rebuttal to the Department's response within 30 days of the receipt of the Department's response. The rebuttal shall be submitted as set forth in Section 11-407.413.

.424 The Department may submit a written rebuttal to a rebuttal filed by the group home provider/foster family agency within 30 days of the receipt of the rebuttal. The Department's rebuttal shall be filed as set forth in Section 11-407.422.

.425 (Continued)

.426 The written record shall include the documents discussed in Sections 11-407.41 through 11-407.425, all applicable laws and regulations, and those matters of which the Administrative Law Judge takes official or judicial notice. (When an oral administrative hearing is conducted, additional record material submitted for that administrative hearing will subsequently be included.)

.43 When the administrative hearing is to be conducted without an oral administrative hearing, the record shall be closed and the parties notified when the Administrative Law Judge determines that the record is complete. The Administrative Law Judge shall conduct the administrative hearing upon the written record within 180 days after filing the appeal of the rate protest decision letter.

.44 (Continued)

.441 (Continued)

.442 (Continued)

.443 (Continued)

.5 Procedures Applicable to All Formal Administrative Hearings.

.51 (Continued)

.511 Extend any time period in these appeal regulations for good cause, except the time period set forth in Section 11-407.41 for the filing of an appeal.

.512 (Continued)

.513 (Continued)

.514 (Continued)

.515 (Continued)

.516 (Continued)

.517 (Continued)

.518 (Continued)



.52 (Continued)

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.54 (Continued)

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.542 (Continued)

.55 (Continued)

.551 (Continued)

.552 (Continued)

.553 (Continued)

.6 Additional Procedures Applicable to Oral, Formal Administrative Hearings

.61 (Continued)

.611 (Continued)

.612 (Continued)

.62 (Continued)

.621 (Continued)

.63 (Continued)

.64 (Continued)

.65 (Continued)

.66 Each party shall have the right to: (Continued)

.661 (Continued)

.662 (Continued)

.663 (Continued)

.664 (Continued)

.665 (Continued)

.666 The group home provider/foster family agency shall not be called to testify during the Department's initial presentation pursuant to Section 11-407.671. A group home provider/foster family agency who thereafter fails to testify in its own behalf, may be called and examined as if under cross examination.

.67 (Continued)

.671 (Continued)

.672 (Continued)

.673 (Continued)

.674 (Continued)

.68 (Continued)

.681 (Continued)

.69 (Continued)

.691 (Continued)

## .7 Decision Process

.71 (Continued)

.72 Within 120 days after submission of the Administrative Law Judge's proposed decision, the Director shall: (Continued)

.721 (Continued)

.722 (Continued)

.723 Refer the matter to the same or a different Administrative Law Judge to take additional evidence.

- (a) If the case is so assigned, the Administrative Law Judge shall, within 90 days, prepare a proposed decision, based upon the additional evidence and the documentary and electronically recorded record of the prior administrative hearing. The Director may then take one of the actions described in Section 11-407.72 in regard to the new proposed decision. The Director may return a proposed decision only twice on the same appeal.

.73 (Continued)

.731 (Continued)

.74 (Continued)

Authority Cited: Sections 10553, 10554, 11466.4, and 11468, Welfare and Institutions Code.

Reference: Sections 11466.4, 11466.6, 11468, 11468.1, 11468.2, 11468.3, 11468.4, 11468.5, and 11468.6, Welfare and Institutions Code; Assembly Bill 2129, Chapter 1089, Statutes of 1993; Senate Bill 415, Chapter 950, Statutes of 1993; and Sections 11510, 11512, and 11513, Government Code.

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

(See instructions on reverse)

For use by Secretary of State only

## AGENCY

California Department of Social Services

AGENCY FILE NUMBER (if any)

1193-45

OAL FILE  
NUMBERS

NOTICE FILE NUMBER

Z-94-0222-04

REGULATORY ACTION NUMBER

94-0627-07C

EMERGENCY NUMBER

94-0322-06E

PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only

1994 ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

JUL 26 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

JUL 26 1994

At 3:42 o'clock P. M.

By Roberto Cornejo

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Revised FSET Program Requirements		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 94, #9-2	PUBLICATION DATE 3-4-94

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)	
TITLE(S) MPP	ADOPT
SECTIONS AFFECTED	AMEND 63-407.58 and .862
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)
 ☐ Resubmittal
 ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)
 ☐ Emergency (Gov. Code, § 11346.1(b))

☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only
 ☐ Other (specify)

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

Not Applicable

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State
 ☒ Effective on filing with Secretary of State
 ☐ Effective other (Specify)

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399)
 ☐ Fair Political Practices Commission
 ☐ State Fire Marshal

☐ Other (Specify)

6. CONTACT PERSON

Frank Vitulli, Chief, Regulations Development

TELEPHONE NUMBER

(916) 657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

Eloise Anderson, Director

DATE

JUN 23 1994

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Sections 63-407.58 and 63-407.862 to read:

63-407 WORK REGISTRATION REQUIREMENTS (Continued)

63-407

.5 Failure to Comply (Continued)

.58 Conciliation

The CWD shall determine if there is good cause and attempt to resolve the problems when a work registrant fails to comply with the FSET Program requirements specified in Section 63- 407.41. The conciliation period shall begin on the day following discovery of the noncompliance by the CWD employee(s) responsible for administering FSET conciliation and shall not exceed 30 calendar days.

.581 The CWD shall inform the registrant in writing of his/her opportunity to both demonstrate good cause for the noncompliance and to avoid Food Stamp sanctions by performing a verifiable act of compliance. The CWD shall issue the notice within seven working days of the beginning of conciliation. The notice shall: (Continued)

(c) Provide that within the conciliation period, the registrant shall contact the CWD either in person, or by telephone to present the reason(s) for the noncompliance and to learn whether such reason(s) constitute good cause ~~in accordance with~~ as specified in Section 63-407.57. (Continued)

(e) Specify that if a determination of no good cause is made, the registrant can avoid Food Stamp sanctions by complying with program requirements.

(1) The notice shall describe the specific actions the registrant must take to achieve compliance and identify the date by which compliance must be achieved if sanctions are to be avoided.

(A) As specified in Section 63-407.584(a), this date is the final day of the 30-calendar-day conciliation period.

(f) Describe those costs ~~identified~~ specified in Section 63-407.83 for which the registrant may be reimbursed if such costs are necessary to enable the registrant to provide good cause information or achieve compliance within conciliation. (Continued)

.582 The CWD shall determine whether good cause existed for the noncompliance ~~in accordance with~~ as specified in Section 63-407.57. (Continued)

(b) When the registrant subsequently submits good cause information within the period of conciliation, such information shall be considered by the CWD and may result in the reversal of a no good cause determination. (Continued)

.584 When the CWD determines that no good cause existed for the noncompliance, the registrant must perform a verifiable act of compliance if Food Stamp sanctions are to be avoided. Verbal commitment is not sufficient unless the registrant is prevented from complying by circumstances beyond his/her control such as the unavailability of a suitable component. (Continued)

(b) Actions required for successful conciliation shall be limited to those which can be accomplished within the 30-day time limit ~~set forth~~ specified in Section 63-407.58. (Continued)

.585 If the registrant fails to comply by the end of conciliation, the CWD shall provide the individual or household with a notice of action informing them of the disqualification. (See Section 63-407.56 for a description of this notice.)

(a) The notice shall be issued no later than the final day of conciliation.

(b) When the notice is issued prior to the end of conciliation and the CWD subsequently verifies that good cause existed for the noncompliance, or that compliance was achieved by the end of conciliation, the notice shall be cancelled.

(c) Notwithstanding Section 63-407.56, the period of disqualification shall not begin prior to expiration of the 30-calendar-day conciliation period ~~identified~~ specified in Section 63-407.58. (Continued)

.8 Food Stamp Employment and Training Program (Continued)

.86 Failure to Comply (Continued)

.862 Individuals who or households which are disqualified for failure to comply with the requirements of the FSET Program shall be notified as specified in Sections 63-407.56 and .585. (Continued)

Authority Cited: Sections 10553, 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.1(d)(2); 7 CFR 273.7(d)(1)(ii)(A) and (E); 7 CFR 273.7(f), (f)(1)(vi), (f)(2), and (f)(4)(ii); and 7 CFR 273.7(g)(1)(ii) and (iii).



## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

(See instructions on reverse)

For use by Secretary of State only

## AGENCY

California Department of Social Services

AGENCY FILE NUMBER (If any)

RDB #0594-12

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER	PREVIOUS REGULATORY ACTION NUMBER
	Z 94-0621-12		94-0621-03E	

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING 21  
AND PUBLICATION

AUG - 1 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

AUG 1 1994

At 3:56'clock P.M.

By Robert A. Lomnick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE <i>Food Stamp Household Concept</i>		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn	NOTICE REGISTER NUMBER	PUBLICATION DATE	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) Manual of Policies & Procedures (MPP)	ADOPT Section 63-024
SECTIONS AFFECTED	AMEND Sections 63-102 and 63-402
	REPEAL

## 2. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code, § 11346)	<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)	<input checked="" type="checkbox"/> Emergency (Gov. Code, § 11346.1(b))
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.			
<input type="checkbox"/> Print Only <input type="checkbox"/> Other (specify)			

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

<input type="checkbox"/> Effective 30th day after filing with Secretary of State	<input checked="" type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> Effective other (Specify)
--	---	--

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input checked="" type="checkbox"/> Department of Finance (Form STD. 399)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
---	--	---

☐ Other (Specify)

## 6. CONTACT PERSON

Frank R. Vitulli, Chief, Regulations Development

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE



TYPED NAME AND TITLE OF SIGNATORY

DATE

7/21/94

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN  
REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

## PUBLIC NOTICE

August 17, 1994 Public Hearing

## ITEM #1

Food Stamp Household Concept

## CHAPTERS

Manual of Policies and Procedures (MPP) Division 63, Section 63-402 Household Concept.

## INFORMATIVE DIGEST

These proposed emergency regulations implement the provisions of federal regulations at 7 CFR 273.1(a)(2)(i)(C) and (D). Federal regulations at 7 CFR 273.1(a)(2)(C) and (D) provide that the term "parent of a minor child(ren)" no longer requires the natural, adopted, or stepchild to be a biological or legal parent of a minor child(ren). He/she has only to be exercising parental control of any child under 18 years of age. Existing food stamp regulations need to be revised in order to comply with federal mandates as indicated in 7 CFR 273.1(a)(2)(C) and (D). The proposed regulations contain revisions which incorporate the federal mandates into state regulations. The revisions also amend terminology used in certain manual sections regarding household concept.

## COST ESTIMATE

1. Costs or Savings to State Agencies: CDSS has determined that these regulations will result in unknown but insignificant costs.
2. Costs to Local Agencies or School Districts: CDSS has determined that these regulations will result in unknown but insignificant costs. There will be no costs to school districts.
3. Nondiscretionary Costs or Savings to Local Agencies: None.
4. Federal Funding to State Agencies: CDSS has determined that these regulations will result in unknown but insignificant costs.

## LOCAL MANDATE STATEMENT

These regulations do impose a mandate on local government but not on school districts. There are no state mandated local costs which require reimbursement under the laws of California. These regulations are mandated by the federal government.

## STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES AND OF ALTERNATIVES CONSIDERED

CDSS has determined that there will be no fiscal impact on private persons or businesses, including the ability of California businesses to compete with businesses in other states, because these regulations do not impact private persons or businesses.

CDSS must determine that no alternative considered would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected persons than the proposed action.

#### SMALL BUSINESS IMPACT STATEMENT

CDSS has determined that there is no adverse impact on small businesses. The proposed regulation revisions are expected to result in a greater number of food stamp cases with fewer individuals in each case. Consequently, an increased amount of food stamps will be issued. Therefore, these regulations will have no adverse impact on businesses.

#### ASSESSMENT OF JOB CREATION OR ELIMINATION

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

#### AUTHORITY AND REFERENCE CITATIONS

These emergency regulations are proposed for adoption pursuant to the authority granted by Sections 10554 and 18904, Welfare and Institutions Code. The cited references are: 7 CFR 273.1(a)(2)(i)(C) and (D); and Public Law (P.L.) 100-77, Section 802.

#### EMERGENCY STATEMENT

These proposed regulations are adopted on an emergency basis. In order to allow interested persons an opportunity to submit statements on arguments concerning these regulations, they will be considered at public hearing in accordance with Government Code Section 11346.4.

## FINDING OF EMERGENCY

These regulations are being implemented on an emergency basis for the immediate preservation of the public peace, health and safety, or general welfare, within the meaning of Government Code Section 11346.1.

## DESCRIPTION OF SPECIFIC FACTS WHICH CONSTITUTE THE EMERGENCY

1. Provisions of the Stewart B. McKinney Homeless Assistance Act increase the circumstances in which people living together can be certified as separate food stamp households.
2. Federal regulations at 7 CFR 273.1(a)(2)(C) and (D) require that the term "parent of a minor child(ren)" no longer requires the natural, adopted, or stepchild to be a biological or legal parent of a minor child(ren). He/she has only to be exercising parental control of any child under 18 years of age.
3. State and county compliance with the above provisions will benefit certain food stamp applicants and recipients by permitting more separate households to be created than previous regulations, thereby increasing the amount of food stamps issued.
4. The nonemergency rulemaking process set forth in the Administrative Procedure Act is sufficiently lengthy that it is not possible to adopt the necessary state regulations in a timely enough manner to ensure that households will receive the maximum benefit.

## INFORMATIVE DIGEST

These proposed emergency regulations implement the provisions of federal regulations at 7 CFR 273.1(a)(2)(i)(C) and (D). Federal regulations at 7 CFR 273.1(a)(2)(C) and (D) provide that the term "parent of a minor child(ren)" no longer requires the natural, adopted, or stepchild to be a biological or legal parent of a minor child(ren). He/she has only to be exercising parental control of any child under 18 years of age. Existing food stamp regulations need to be revised in order to comply with federal mandates as indicated in 7 CFR 273.1(a)(2)(C) and (D). The proposed regulations contain revisions which incorporate the federal mandates into state regulations. The revisions also amend terminology used in certain manual sections regarding household concept.

## COST ESTIMATE

1. Costs or Savings to State Agencies: CDSS has determined that these regulations will result in unknown but insignificant costs.
2. Costs to Local Agencies or School Districts: CDSS has determined that these regulations will result in unknown but insignificant costs to local government. There will be no costs to school districts.
3. Nondiscretionary Costs or Savings to Local Agencies: None.
4. Federal Funding to State Agencies: CDSS has determined that these regulations will result in unknown but insignificant costs.

#### LOCAL MANDATE STATEMENT

These regulations do impose a mandate on local government but not on school districts. There are no state mandated local costs which require reimbursement under the laws of California. These regulations are mandated by the federal government.

#### AUTHORITY AND REFERENCE CITATIONS

These emergency regulations are proposed for adoption pursuant to the authority granted by Sections 10554 and 18904, Welfare and Institutions Code. The cited references are: 7 CFR 273.1(a)(2)(i)(C) and (D); and Public Law (P.L.) 100-77, Section 802.

## INITIAL STATEMENT OF REASONS

a) Description of the Public Problem, Administrative Requirement, or Other Condition or Circumstance the Regulations Are Intended to Address

Current food stamp regulations need to be revised in order to comply with federal mandates as indicated in 7 CFR 273.1(a)(2)(i)(C) and (D). The proposed regulations contain revisions which incorporate the federal mandates into state regulations. The revisions amend terminology used in certain manual sections regarding household concept.

b) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are NecessarySection 63-024Specific Purpose:

The specific purpose of this section is to provide county welfare departments (CWDs) with specific dates by which the provisions in these regulations are to be implemented. By providing this direction, departmental reviewing and/or auditing units can easily determine if a county is out of compliance. These provisions are effective August 1, 1994.

Factual Basis:

This section is necessary to conform with P.L. 100-77, Section 802; and 7 CFR 273.1(a)(2)(i)(C) and (D).

Section 63-102p.(1)Specific Purpose:

The word "adult" has been changed to "individual" wherever it occurred in this section.

Factual Basis:

This amendment is in conformance with Public Law (P.L.) 100-77. This section is necessary to clarify that the person exercising parental control does not have to be an adult. According to the Department of Agriculture Food and Nutrition Service the definition of parental control is an individual responsible, financially or otherwise, for the care of a minor child.

Section 63-402.142(b)Specific Purpose:

This subsection redefines the term "parent of a minor child."

Factual Basis:

This amendment is in conformance with Federal Regulation 7 CFR 273.1(a)(2)(i)(C). The natural, adopted or stepchild is no longer required to be a biological or legal parent of a minor child(ren). Effective 4-1-94, he/she has only to be exercising parental control of any child under 18 years of age.

Section 63-402.145(b)

Specific Purpose:

This section redefines the term "parent of a minor child."

Factual Basis:

This amendment is in conformance with Federal Regulation 7 CFR 273.1(a)(2)(i)(D). A sibling is no longer required to be a biological or legal parent of a minor child(ren). Effective 4-1-94, he/she has only to be exercising parental control of any child under 18 years of age.

c) Identification of Documents Upon Which Department Is Relying

Public Law (P.L.) 100-77, Section 802.

d) Testimony and Response

[To be completed after the Public Hearing.]

e) Local Mandate Statement

These regulations do impose a mandate on local government but not on school districts. There are no state mandated local costs which require reimbursement under the laws of California. These regulations are mandated by the federal government.

f) Statement of Potential Cost Impact on Private Persons or Businesses and of Alternatives Considered

CDSS has determined that there will be no fiscal impact on private persons or businesses, including the ability of California businesses to compete with businesses in other states, because these regulations do not impact private persons or businesses.

CDSS must determine that no alternative considered would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected persons than the proposed action.



Adopt Section 63-024 to read:

63-024 IMPLEMENTATION OF FOOD STAMP HOUSEHOLD CONCEPT

63-024

- .1 Beginning August 1, 1994, county welfare departments shall implement the amended provision for all food stamp household applicants.
- .2 For continuing cases and any households entitled to restored benefits, these provisions shall be implemented and appropriate restoration of benefits made upon request by the household, at recertification, when the case is next reviewed, or when the CWD becomes aware that a review is needed, whichever occurs first. Restored benefits are to be provided back to the date of application or April 1, 1994, whichever occurred later.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Public Law (P.L.) 100-77, Section 802; 7 CFR 273.1(a)(2)(i)(C) and (D).

Amend Section 63-102p.(1) to read:

63-102 DEFINITIONS

63-102

a. through o. (Continued)

p. (1) "Parental Control"

- (A) A minor child shall not be considered under the parental control of the ~~adult~~ individual with whom he/she resides if any one of the following conditions exists:
  - (a) The minor entered into a valid marriage, whether or not such marriage has terminated by dissolution.
  - (b) The minor is on active duty with any of the armed forces of the United States of America. (Note: A person who was in the armed forces but was discharged before reaching the age of 18 could still be considered under parental control.)
  - (c) The minor has been emancipated by a court order.
- (B) If none of the above conditions exist then whether or not a minor should be considered under the parental control of the ~~adult~~ individual with whom he/she resides shall be determined using the following criteria. The eligibility worker shall assess the relative importance of the criteria below to each individual case in determining whether or not parental control exists:
  - (a) The minor is economically self-supporting and managing his/her own affairs.
  - (b) The closer a minor is to 18 years the more significant age becomes in the determination of parental control.
  - (c) The minor is absent from the ~~adult~~ individual with whom he/she is residing for significant periods of time and comes and goes without the ~~adult's~~ individual's approval.  
(Continued)

q. through z. (Continued)

Authority Cited: Sections 10553, 10554, and 18904, Welfare and Institutions Code.

Reference: 8 U.S.C.A. Section 1522(e); 42 U.S.C.A. 601, et seq.; and 42 U.S.C.A. 5122; 7 CFR 271.2; 7 CFR 273.1(a)(2)(i)(C) and (D); 7 CFR 273.1(c)(5); 7 CFR 273.11(a)(2)(iii); 7 CFR 273.2, (j), and (j)(4); 7 CFR 273.16(c); 7 CFR 273.21(b); 7 CFR 274.3(a)(2); 7 CFR 2710.2; 45 CFR Part 401; 45 CFR 400.62; Public Law (P.L.) 100-77, Section 802; (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) \_\_\_\_ F. Supp. \_\_\_\_ [Dock. No. CV-89-0768]); Section 66011, Education Code; Sections 10554 and 18904, Welfare and Institutions Code; and Section 902, Public Law (P.L.) 102-237.

Amend Sections 63-402.142(b), .145, and .145(b) to read:

63-402 HOUSEHOLD CONCEPT (Continued)

63-402

.14 Separate household status shall not be granted to:

.141 (continued)

.142 (continued)

(a) (continued)

(b) the natural, adopted or stepchild is a parent of a minor child(ren). For the purpose of this section, "parent of a minor child(ren)" includes an individual exercising parental control of any child under 18 years of age. The parent of the minor child(ren), together with such child(ren), shall be granted separate household status, if he/she is purchasing food and preparing meals for home consumption separately from his/her parent~~s~~(s). (continued)

(c) (continued)

.143 through .144 (continued)

.145 Siblings living with their natural, adopted, half- or step brothers and/or sisters, except:

(a) (continued)

(b) any sibling who is the parent of a minor child(ren). For the purpose of this section, "parent of a minor child(ren)" includes an individual exercising parental control of any child under 18 years of age. The sibling who is the parent of the minor child(ren), together with such child(ren), shall be granted separate household status, if he/she is purchasing food and preparing meals for home consumption separately from his/her sibling(s). (continued)

.15 through .85 (continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.1(a)(1) through (b)(1); 7 CFR 273.1(a)(2)(i)(B), ~~and~~ (C) and (D); 7 CFR 273.1(b)(1)(iii); 7 CFR 273.1(b)(2)(iii); 7 CFR 273.1(c); 7 CFR 273.1(c)(1); 7 CFR 273.1(e)(1); 7 CFR 273.1(d)(1) and (2); 7 CFR 273.1(g); 7 CFR 273.2(j)(4); 7 CFR 273.10(c)(1)(i); 7 CFR 274.5 and 7 CFR 274.10; Public Law (P.L.) 100-77, Section 802; USDA Administrative Notice 89/65/Policy Memo 89-11 and 89-12; and Sections 10554 and 18904, Welfare and Institutions Code.

*Wingard* P.03

08-17-1993 14:58 PM WATERFRONT HYDRO  
STO. 40 (REV. 12/92)  
TIME: 0.00

STD. 45 (REV. 12/81) AGENCY FILE NUMBER		California Department of Social Services 94 AGENCY FILE NUMBER (if any) 0993-36	
NOTICE FILE NUMBER Z-93-1123-05	REGULATORY ACTION NUMBER	EMERGENCY NUMBER 95-0304-01E	NOTICE REGULATORY ACTION NUMBER 94-0706-02C

For use by Office of Administrative Law (OAL) only

94-0817-05E

ENDORSED  
 APPROVED FOR FILING  
 AND PUBLICATION

**AUG 18 1994**

Office of Administrative Law

REGULATIONS

**FILED**  
In the office of the Secretary of State  
of the State of California

AUG 18 1994

At 10:09 o'clock a M.  
By Roberta Cornick

**A. PUBLICATION OF NOTICE** *(Complete for publication in Notice Register)*

1. TOPIC OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
Supplemental Child Care Program				
3. NOTICE TYPE <input type="checkbox"/> Notice to Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE		NOTICE REGISTER NUMBER	PUBLICATION DATE
	<input type="checkbox"/> Approved as submitted <input type="checkbox"/> Approved & Modified <input type="checkbox"/> Disapproved/Withdrawn			

**B. SUBMISSION OF REGULATIONS** *(Complete when submitting regulations)*

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (including title 26, if toxics-related)	
TITLE(S)	ADOPT 40-021, 44-500, 44-501, 44-502, 44-503, 44-504, 44-505, 44-506, 44-507, 44-508, and 44-509
MPP	
SECTIONS AFFECTED	AMEND 40-131.3, 40-181.1, and 40-111.3
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11348)      ☐ Resubmittal      ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)      ☒ Emergency (Gov. Code, § 11348.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11348.1 - 11348.9 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only      ☐ Other (specify)

## 7. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cfr. Code Regs. title 1, §§ 44 and 45)

June 16, 1994 to July 1, 1994

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (day, month &amp; year)

☐ Effective 60th day after filing with Secretary of State    ☒ Effective on filing with Secretary of State    ☐ Effective after 60 days

8. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☒ Department of Finance (Form STD. 399)      ☐ Fair Political Practices Commission      ☐ State Fire Marshal

☐ Other (Specify) \_\_\_\_\_

9. CONTACT PERSON	TELEPHONE NUMBER
Frank R. Vitulli, Chief, Regulations Development	(916) 657-2586

**I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.**

SIGNATURE OF AGENCY HEAD OR DESIGNEE <i>[Signature]</i>	DATE 8/67/94
--	-----------------

ELOISE ANDERSON, Director.

Adopt Section 40-021 to read:

40-021 IMPLEMENTATION OF SUPPLEMENTAL CHILD CARE PROGRAM

40-021

- .1 The adoption of Chapter 44-500 and the amendment of Sections 40-131.3, 40-181.1, and 44-111.3 which implement the Supplemental Child Care (SCC) Program shall be effective November 4, 1993. Counties are required to meet the SCC informing requirements at application and redetermination beginning November 4, 1993.

HANDBOOK BEGINS HERE

- .2 Chapter 44-500 is being adopted to implement the Supplemental Child Care (SCC) Program to comply with the provisions of Welfare and Institutions Code Section 11451.7 (Chapter 69, Statutes of 1993).
- .3 Section 40-131 is being amended to require all AFDC recipients be informed about the SCC Program at the time of AFDC redetermination.
- .4 Section 40-181 is being amended to require that AFDC recipients are informed about their eligibility for SCC when they become employed.
- .5 Section 44-111 is being amended to exempt SCC payments from consideration of income for AFDC.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11451.7, Welfare and Institutions Code.

Amend Section 40-131.3 to read:

40-131 INTERVIEW REQUIREMENT (Continued)

40-131

.3 Content of Application Interview (Continued)

- u. The availability of and the information necessary to request supplemental child care payments for working recipients who have child care costs as specified in Section 44-507.11.

Authority Cited: Sections 10553, 10554, 10604, and 18904, Welfare and Institutions Code.

Reference: Sections 10613, 11209, 11324.8(a), AB 312, Chapter 1568, Statutes of 1990, 11451.7, 11500(b), and 11511(a), Welfare and Institutions Code; 7 USC 2020(i), 7 CFR 273.2(j), 42 USC 616(f), 682(c)(2), (3) and (4), 45 CFR 250.20, 45 CFR 250.40(a) and (b); 45 CFR 255.1; 45 CFR 256.1(b).

Amend Section 40-181.1(1) to read:

40-181 CONTINUING ACTIVITIES AND DETERMINATION OF ELIGIBILITY (Continued) 40-181

.1 General County Responsibility (Continued)

- (1) The county shall inform recipients of the availability of, and the information necessary to request, supplemental child care payments to all assistance units which have reported earned income as specified in Section 44-507.113. (Continued)

Authority Cited: Sections 10553, 10554, 10604, 11265.1, and 18904, Welfare and Institutions Code.

Reference: 45 U.S.C. 616(b) and (f); 45 CFR 233.28 and 235.112(b); 7 CFR 273.16(b); and Sections 10553, 10554, 10604, 11451.7 and 11486, Welfare and Institutions Code.

Amend Section 44-111.3 to read:

44-111 PAYMENTS EXCLUDED OR EXEMPT FROM CONSIDERATION AS INCOME  
(Continued)

44-111

.3 Exemption of Payments from Public Sources (Continued)

- g. Reimbursements for child care costs made under the Supplemental Child Care (SCC) Program are exempt from consideration as income.  
(Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11008.15, 11255, and 11451.7, Welfare and Institutions Code; 42 USC Section 602(g)(1)(E)(i); Section 202(a), Public Law 100-485; 45 CFR 244.0(c); 45 CFR 233.20(a)(4)(ii); 45 CFR 233.20(a)(11)(v)(C); 45 CFR 255.3(f)(1); and Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992.



Adopt Chapter 44-500 and Section 44-501 to read:

44-500 SUPPLEMENTAL CHILD CARE (SCC) PROGRAM

44-501 INTRODUCTION TO SUPPLEMENTAL CHILD CARE

44-501

HANDBOOK BEGINS HERE

The Supplemental Child Care (SCC) Program is mandated by Welfare and Institutions Code Section 11451.7 (Chapter 69, Statutes of 1993). It provides funding for child care to working AFDC recipients when certain eligibility criteria are met. The objective of SCC is to remove one of the most formidable barriers to employment for AFDC families with young children which is the high cost of child care. In assisting these families with their child care costs, it is hoped that they will obtain and maintain employment which will ultimately result in self-sufficiency from the welfare system.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11451.7, Welfare and Institutions Code.

Adopt Section 44-502 to read:

44-502 DEFINITIONS

44-502

The following definitions pertain only to Chapter 44-500. The definitions shall be used in conjunction with the balance of the Supplemental Child Care Program regulations and do not stand alone.

- (a) (1) "AU" means the AFDC assistance unit.
- (b) (1) "Budget Month" means the month used to determine the amount of the SCC payment.
- (c) (1) "Child Care Disregard" means the limited dependent care earned income disregard amount used to reduce the net countable income in the AFDC grant computation as specified in Section 44-113.217.
- (d) (1) "Date of Receipt" means the date that a document is received by the county welfare department, either through the mail or delivered in person.
- (e) (1) "Exempt from Licensing" means a child care provider who is not required to obtain a day care license.

HANDBOOK BEGINS HERE

(A) Examples of when a day care license is not required.

- 1. The nonrelative child care provider cares for the children of only one family in addition to his/her own children, either in the home of the child or provider;
- 2. The child care provider ~~is related to the~~ cares only for children for to whom care is given the provider is related; or
- 3. The child care provider is a public or private school or a recreation program as defined in Health and Safety Code Section 1596.792.

HANDBOOK ENDS HERE

(f) (1) "Full-time Care" means child care provided by a child care provider for more than 147 hours per calendar month.

(f) through (o) Reserved

(p) (1) "Payment Month" means the month following the report month and the month in which the recipient receives the SCC payment.

(2) "Part-time Care" means child care provided by a child care provider for 147 hours or less per calendar month.

(q) Reserved

- (r) (1) "Rate Ceiling" means the 75th percentile of the regional market rate or the 100th percentile of the regional market rate when the region has no more than two providers giving that age and category of care.
- (2) "Regional Market Rate" means the costs of child care in each county differentiated by age of child, ~~and~~ type of care, and whether the care is provided full- or part-time as established in the Regional Market Rate Ceilings for California Child Care Providers.
- (3) "Report Month" means the month in which a recipient is required to submit the monthly report (CA 7/SAWS 7, Rev. 1/93) which contains information from the previous month, also known as the budget month.
- (s) (1) "SCC" means the Supplemental Child Care Program.
- (t) through (z) Reserved

Authority Cited: Sections 10553, ~~and~~ 10554, and 11508, Welfare and Institutions Code and 45 CFR 255.4.

Reference: Section 11451.7, Welfare and Institutions Code and Section 1596.792, Health and Safety Code.

Adopt Section 44-503 to read:

44-503 PROGRAM ELIGIBILITY

44-503

- .1 An AU shall be eligible for ~~an~~ SCC ~~payment~~ if all of the following conditions are met:
  - .11 A member of the AFDC AU is working and ~~requires child care to remain employed~~ the county determines that adequate dependent care can not be provided during his/her working hours by a person in the recipient's AU.
  - .12 The AU is eligible to receive the child care earned income disregard in their AFDC computation as specified in Section 44-113.217.
  - .13 The child care costs were paid for a child in the AFDC AU who meets one of the following conditions:
    - .131 Under the age of 13.
    - .132 Physically or mentally incapable of caring for himself/herself based on a written statement of a physician or a licensed or certified psychologist and meets the age requirements under the AFDC program, as specified in Section 42-101.
    - .133 Under court supervision as specified in Welfare and Institutions Code Sections 601 and 602 and meets the age requirements under the AFDC program, as specified in Section 42-101.
  - .14 The child care provider meets all of the following conditions:
    - .141 Is 18 years old or older.
    - .142 Is not a parent or legal guardian of the child.
    - .143 Is not a member of the AU.
    - .144 Has a day care license or is exempt from licensing.
    - .145 Has a valid social security number (SSN).
  - .15 The AU has provided the necessary information to determine SCC eligibility as specified in Section 44-506.1.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11503(a) and 11451.7, Welfare and Institutions Code; 45 CFR 233.20; and 45 CFR 255.2, .3, .4, and .5.

Adopt Section 44-504 to read:

44-504 PAYMENT ELIGIBILITY

44-504

- .1 SCC ~~fund~~ payments shall reimburse child care costs which do not exceed the monthly rate ceiling less the amount allowed for a child care earned income disregard in the AFDC computation as specified in Section 44-113.217.

HANDBOOK BEGINS HERE

- .11 The Regional Market Rate ceilings are determined based on a statistically valid survey of the rates established by child care providers for private clients in accordance with Welfare and Institutions Code Section 11508(b).

.111 The rate ceilings are determined based on:

- (a) The age of the child,
- (b) The type of care provided,
- (c) The number of hours of care, either full-time or part-time care as defined in Sections 44-502(f)(1) and (p)(2), and
- (d) The care provider's geographic location in California.

HANDBOOK ENDS HERE

- .2 The county shall only issue a SCC payment when the child care hours claimed are for the following:

- .21 Work hours.
- .22 Transportation time between the worksite and the child care provider.
- .23 When necessary, hours based on the provider's standard billing practice.

HANDBOOK BEGINS HERE

- .24 Examples of eligible hours.

- .241 Example: A day care provider charges all families based on a weekly rate. The provider charges for any days the SCC child is absent, regardless of the reason (i.e., holidays, sick days and vacation). The provider also charges for days the parent is on holiday. Since this is the provider's billing practice for nonsubsidized families, a request for payment which includes these days would meet the payment eligibility requirements under this section.

.242 Example: A provider charges all families based on an hourly rate. The provider only charges for hours of care provided. The SCC child attends school and needs only after-school care. The county would compare the hours worked, including transportation time, to the hours of care, taking into consideration the time the child is in school.

.243 Example: A provider charges all families based on an hourly rate. The parent works from 4 p.m. to 12 a.m. The provider charges for nine hours of child care, because the parent leaves the child in care a half hour before starting work and a half hour after ending the work shift. The county would compare the hours worked including transportation time to the hours of care. A request for payment for nine hours of care would meet the payment eligibility requirements of this section.

HANDBOOK ENDS HERE

.3 The county shall not approve a SCC payment to a new child care provider if a payment was made for the same period of time to the prior-authorized provider unless the change was due to an emergency situation under Section 44-504.31.

.31 An emergency situation occurs when care cannot be provided or the provision of care places the child at risk of harm.

.4 When the beginning date of SCC eligibility is after the first of the month, ~~counties shall deduct from the actual child care costs any amount paid for child care prior to the beginning date of eligibility~~ the SCC payment as defined in Section 44-505.1 shall be prorated from the beginning date of aid in accordance with the procedures in Section 44-315.7.

HANDBOOK BEGINS HERE

.41 Example: ~~The recipient became eligible for AFDC on the 17th of the month. The submitted child care receipt shows child care costs for the whole month. The county would request from the parent the amount of child care costs incurred from the 17th through the end of the month before processing the SCC payment.~~

The total monthly SCC payment amount is \$150. However, aid began on March 17th and March has 31 days. The Reciprocal Table in Section 44-315.73 shows a figure of .4839 for the 17th day of a 31-day month. The total monthly SCC payment amount X the reciprocal = the prorated SCC amount (\$150 X .4839 = \$72.585). The \$72.585 is rounded down to \$72 which is the amount of the SCC payment.

HANDBOOK ENDS HERE

- .5 The county shall not ~~pay and paid pending the state hearing decision for SCC~~ issue SCC payments pending a state hearing if SCC Program eligibility is denied. If a county reduction of the SCC payment is appealed, the recipient shall be entitled to the reduced amount of the SCC payment pending the state hearing.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11451.7, Welfare and Institutions Code; 45 CFR 255.1(c) and (e)(4); 45 CFR 255.2(a)(1); and 45 CFR 255.4(a)(2) and (3), (c)(2) and (i)(1).

Adopt Section 44-505 to read:

44-505 PAYMENT COMPUTATION

44-505

- .1 When the AU is determined eligible for the SCC payment, the county shall pay the difference between:
- .11 The actual child care costs paid up to the applicable ~~75th percentile~~ monthly rate ceiling, and
- .12 The allowable child care earned income disregard or the portion thereof, used in Section 44-113.21 to reduce the net countable income.

HANDBOOK BEGINS HERE

Example 1: When net countable income subtotal computed in Section 44-113.21 exceeds the total child care earned income disregard allowed.

AU of 3, (parent and 2 children, ages 5 and 1 years).  
Monthly child care costs are \$200 for the 5 year old and \$250 for the 1 year old. Gross income is \$750.

Computation from Section 44-113.21

Gross income	\$750
Standard <u>work expense</u> disregard	<u>-90</u>
	\$660
\$30 disregard	<u>-30</u>
	\$630
1/3 disregard	<u>-210</u>
Subtotal	\$420
Child care <u>earned income</u> disregard for the 5 year old (maximum allowed for a child over 2)	<u>-175</u>
	\$245
Child care <u>earned income</u> disregard for the 1 year old (maximum allowed for a child 2 years and under)	<u>-200</u>
	<u>\$ 45</u>

SCC Computation

Actual child care paid for 5 year old	\$200
<del>75th percentile</del> <u>Monthly</u> rate ceiling	<u>330</u>
Lesser of two above	200
Disregard allowed for 5 year old	<u>-175</u>
SCC payment for 5 year old	= \$ 25
Actual child care paid for 1 year old	\$250
<del>75th percentile</del> <u>Monthly</u> rate ceiling	<u>389</u>
Lesser of two above	250
Disregard allowed for 1 year old	<u>-200</u>
SCC payment for 1 year old	= \$ 50
Total SCC Payment	= \$ 75



Example 2: When net countable income subtotal computed in Section 44-113.21 is less than the allowable child care earned income disregard.

AU of 3, (parent and 2 children, both over 6 years). Monthly child care costs are \$175 per child. Gross income is \$375.

Computation from Section 44-113.21

Gross income	\$375
Standard <u>work expense</u> disregard	-90
	\$285
\$30 disregard	-30
	\$255
1/3 disregard	- 85
Subtotal	\$170 <sup>1</sup>
Child care <u>earned income</u> disregard (maximum allowed for 2 children over 2 years)	-350
	= \$180

SCC Computation

Actual child care paid for first child	\$175
<del>75th percentile</del> <u>Monthly</u> rate ceiling	240
Lesser of two above	175
Portion of disregard used for first child	-170 <sup>1</sup>
SCC payment for first child	= \$ 5
Actual child care paid for second child	\$175
<del>75th percentile</del> <u>Monthly</u> rate ceiling	240
Lesser of two above	175
Portion of disregard used for second child	- 0 <sup>2</sup>
SCC payment for second child	= \$175
Total SCC Payment	= \$180

<sup>1</sup> Here, only \$170 of the allowable \$175 child care earned income disregard was used to reduce countable income, i.e., only \$170 was needed to reduce the income to -0-.

<sup>2</sup> Here, none of the allowable \$175 child care earned income disregard was used to reduce the net countable income, i.e., the net countable income was entirely offset in the computation for first child.

Example 3: When net countable income subtotal computed in Section 44-113.21 results in the recipient not receiving any amount of the allowable child care earned income disregard.

AU of 3, (parent and 2 children, ages 4 and 1 years). Monthly child care costs ~~are \$90 for both~~ is \$45 for each child. Gross income is \$120.

Computation from Section 44-113.21

Gross income	\$120
Standard <u>work expense</u> disregard	-90
	\$ 30
\$30 disregard	-30
Subtotal	\$-0-
Child care <u>earned income</u> disregard (maximum allowed)	- 90
	- \$ 90

SCC Computation

Actual child care paid for 4 year old	\$ 45
<del>With percentage</del> <u>Monthly</u> rate ceiling	<u>\$160</u>
Lesser of two above	45
Portion of disregard used for 4 year old	- 0 <sup>1</sup>
SCC payment of 4 year old	= \$ 45

Actual child care paid for 1 year old	\$ 45
<del>With percentage</del> <u>Monthly</u> rate ceiling	-180
Lesser of two above	45
Portion of disregard used for 1 year old	- 0 <sup>1</sup>
SCC payment of 1 year old	= \$ 45

Total SCC Payment = \$ 90

<sup>1</sup> Here, none of the allowable child care earned income disregards were needed to reduce the net countable income subtotal since it was already reduced to \$0 prior to deducting any child care earned income disregards.

HANDBOOK ENDS HERE

.2 Counties shall round payments to the nearest lower whole dollar.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11451.7, Welfare and Institutions Code; 45 CFR 233.20(a)(11)(i)(D); 45 CFR 255.3(h)(2); 45 CFR 255.4(a) and (a)(2)(iii); and the Preamble in Federal Register, Volume 54, Number 97, page 42233.

Adopt Section 44-506 to read:

44-506 RECIPIENT RESPONSIBILITIES

44-506

- .1 The recipient shall provide the following information to determine SCC ~~program and~~ payment eligibility by the fifth calendar day of each report month along with the monthly report process under Section 40-181.22. Information not received by the eleventh calendar day of the month shall be considered late.
- .11 Verification of employment and the number of hours of employment;
  - .111 Acceptable verification shall be pay stubs.
  - .112 Self-certification by the recipient of hours worked is acceptable only if pay stubs are not available or are incomplete.
- .12 Total child care hours provided during the month;
- .13 Total child care costs for the month;
- .14 The care provider's name, ~~and~~ address, and social security number (SSN) or tax identification number;
- .15 Whether the provider is a licensed day care center, licensed family day care home, or an exempt day care provider;
- .16 A certification from the exempt day care provider that he/she is at least 18 years of age and whether he/she is a relative of the SCC recipient; and when not related, that he/she provided the SCC recipient the name, address and telephone numbers of two character references; and a statement as to his/her health; education or experience; criminal record; and names and ages of other persons in the home providing care.
- .17 A declaration, signed under penalty of perjury, by the child care provider that the information submitted under Section 44-506.1 is true and correct to the best of his/her knowledge.
- .18 A declaration, signed under penalty of perjury, by the recipient that the information submitted under Section 44-506.1 is true and correct to the best of his/her knowledge.
- .2 The failure to ~~provide~~ meet the ~~information~~ requirements in Section 44-506.1 shall result in a denial of the SCC payment.
- .3 The failure to provide the information required in Section 44-506.1 ~~timely~~ by the eleventh calendar day of each month may result in a delay of the SCC payment.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code; and Social Security Act, 42 U.S.C. Section 1320 (b-7).

Reference: Section 11451.7, Welfare and Institutions Code; 45 CFR 255.1(e); ~~and~~ 45 CFR 255.2(a) and (g); and 45 CFR 255.4(h).

Adopt Section 44-507 to read:

44-507 COUNTY RESPONSIBILITIES

44-507

.1 General

- .11 The county shall inform applicants and recipients in writing about the availability of and the information necessary to request SCC payments at the following intervals:
  - .111 At the time of application as specified in Section 40-131.3.
  - .112 At the time of annual redetermination as specified in Section 40-181.2.
  - .113 When earned income is first reported as specified in Section 40-181.1.
- .12 At the intervals specified in Section 44-507.11, the county shall inform current SCC recipients in writing that a failure to provide information in a timely manner could result in delay of issuance or denial of SCC payments.
- .13 At the intervals specified in Section 44-507.11, the county shall inform the SCC recipient in writing of his/her right to request a state hearing regarding SCC benefits and that aid paid pending the state hearing decision is not available as specified in Section 44-504.5.
- .14 Counties shall verify the child care provider's SSN with the Social Security Administration according to provisions in Division 20.
- .15 Counties shall compare the child care provider's SSN with the Medi-Cal Eligibility Data System (MEDS) to determine whether the provider is receiving AFDC, Food Stamps, or Medi-Cal benefits.
- .16 Counties shall inform SCC recipients of the availability of the Transitional Child Care Program according to Section 40-173.8.

.2 Action on SCC Payment Requests

- .21 The county shall issue the SCC payment to eligible recipients by the first of the month following the report month unless the verification of child care costs is received after the eleventh day of the report month.

HANDBOOK BEGINS HERE

- .211 Example: If child care costs were paid in November and reported by December 5th, the county shall issue the SCC payment by January 1.

HANDBOOK ENDS HERE

- .22 When the verification of child care costs is received after the eleventh day of the report month, the county shall issue the SCC payment within 30 calendar days from the receipt of verification of child care costs.
- .23 The county shall deny an SCC payment by the first day of the payment month following the report month in the following situations:
- /231 When the verification of child care costs was submitted timely but the recipient did not meet the eligibility criteria specified in Sections 44-503 and 44-504.
- .2324 The county shall deny an SCC payment When the verification of child care costs was not submitted by after the first day of the payment month following the report month unless the recipient had good cause under Section 44-507/233 40-181.233.
- /233 Good cause exists in the following situations:
- (a) When the recipient was suffering from a mental or physical condition which prevented timely and complete reporting;
- (b) When the recipient's failure to submit a timely or complete report is caused by county error;
- (c) When the county finds other reasonable circumstances which prevented timely and complete reporting;
- /24 The county shall notify the recipient by the tenth calendar day after the date of receipt of the child care information if the information was incomplete and if additional information is needed to determine SCC payment eligibility;
- /241 The county shall deny a SCC payment if the recipient has not provided the requested additional information by the first day of the payment month;
- /242 The county shall rescind the denial of the SCC payment and grant SCC if the recipient meets the good cause criteria under Section 44-507/233 for providing the requested additional information after the time specified in Section 44-507/241;
- .25 The county shall deny an SCC payment when incomplete child care information is submitted.
- .251 The county shall inform the recipient within ten calendar days after the date of receipt of the child care information that the denial shall be rescinded if complete child care information is received by the first day of the payment month.
- .26 The county shall deny an SCC payment when the child care provider's SSN is determined not to be valid as specified in Section 44-503.145 and Section 44-507.14.

.261 The county shall inform the recipient that the denial will be rescinded if additional information regarding the validity of the provider's SSN is received within ten calendar days after the date of the notice and the county determines that the child care provider's SSN is valid.

.27 The county shall rescind the denial of the SCC payment and grant SCC in the following situations:

.271 When the recipient provides complete child care information by the first day of the payment month; or

.272 When the recipient provides complete child care information after the first day of the payment month but meets the good cause criteria specified under Section 40-181.233.

.273 When the recipient provides additional information which results in the county's determination that the child care provider's SSN is valid.

### .3 SCC Notice Requirements

.31 The county shall issue an appropriate Notice of Action (NOA) to SCC recipients, pursuant to procedures specified in MPP Division 22, for the following types of SCC actions and changes:

.311 Approval of an SCC payment and shall include an explanation of the SCC payment amount and an explanation of the rate ceiling.

.312 Denial of an SCC payment.

.313 Change in the rate ceiling described in Section 44-504.1.

.314 Collection of overpayment from SCC recipients under Section 44-508.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11451.7, Welfare and Institutions Code; 45 CFR 233.28(e); 45 CFR 235.110; 45 CFR 255.1(e); 45 CFR 255.2(a), (g), (g)(2), and (h); 45 CFR 255.4(c)(2), (f)(2), and (h); and 45 CFR 256.4(c).

Adopt Section 44-508 to read:

44-508 UNDERPAYMENTS AND OVERPAYMENTS

44-508

.1 General Criteria

- .11 Underpayments occur when an SCC payment made to the recipient is less than what he/she is entitled to receive.

.111 Action to correct underpayments shall be taken within §30 calendar days from the date the county determines that an underpayment exists.

- .12 Overpayments occur when an SCC payment to the recipient exceeds what he/she is entitled to receive.

HANDBOOK BEGINS HERE

- .121 An overpayment may be all or a portion of an SCC payment.

HANDBOOK ENDS HERE

- .13 The county shall take all reasonable steps necessary to promptly correct any underpayment and collect any overpayment that is known to the county.

.131 The county shall refer cases of suspected fraud to the county Special Investigative Unit (SIU) under MPP Section 20-005.

.132 The county shall attempt recovery efforts in all cases of current and former AFDC recipients.

- .14 The county shall recover SCC overpayments from any person who was a member of the AU at the time the AU was overpaid/ ~~whether or not they are currently receiving AFDC benefits.~~

.2 Initiating Recovery

- .21 When the county has determined that an overpayment exists, the county shall calculate the amount of the overpayment and determine the appropriate method of recovery under Sections 44-508.3 and .4.

.211 Recovery methods may be used concurrently.

- .22 The county shall take steps to initiate recovery within 30 calendar days from the date the overpayment is discovered by notifying the individual in writing that he/she has an overpayment and how recovery will occur under Sections 44-508.3 and .4.

.3 Overpayment Recovery from Current SCC Recipients

.31 Balancing

.311 When an individual has both an overpayment and an underpayment, the county may offset one against the other.

.32 SCC Payment Adjustment

.321 The overpayment is to be adjusted from the current SCC payment subject to Section 44-508.322.

(a) When the current SCC payment amount is not enough to recover the entire overpayment, the remaining amount of the overpayment shall be applied to succeeding month(s) and the adjustment process shall be repeated.

.322 Recovery from the current SCC payment(s) shall be ten percent of the total payment or \$21 dollars, whichever is greater, but the recovery shall not exceed the current SCC payment.

.33 Voluntary Cash Recovery

.331 The county shall accept any voluntary cash payment from an individual to pay any portion of an existing overpayment.

.4 Overpayment Recovery from Former SCC Recipients

.41 The county shall demand in writing, the repayment of any outstanding overpayment amount from any individual who is no longer eligible to receive SCC payments or ~~loses eligibility for~~ AFDC.

.42 SCC overpayments shall be adjusted from the recipient's AFDC grant when:

.421 The recipient and the county voluntarily agree with the amount of the AFDC grant adjustment.

.422 The individual signs a written agreement with the county.

.43 Once the demand letter for repayment has been sent, the county shall continue recovery efforts of SCC overpayments in:

.431 All cases of fraud;

.432 All cases of current recipients;

.433 All cases of former recipients when the overpayment amount would equal or exceed the cost of recovery.

.44 The county shall recoup SCC overpayments from families receiving Transitional Child Care (TCC) payments by following TCC overpayment collection procedures under Section 47-190.



.5 Overpayment Record Maintenance

- .51 The county shall maintain a record of the overpayment including all notices and agreements, the repayment dates and amounts recovered.
- .52 Once collection of the overpayment is completed, the overpayment records shall be retained in accordance with requirements for records retention of public assistance cases, as specified in Section 23-350.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11451.7, Welfare and Institutions Code; 45 CFR 205.10; 45 CFR 255.2(h); 45 CFR 255.4(j)(1), (4), (5), (6), (7), and (8); and the Preamble in Federal Register, Volume 54, Number 197, page 42234.

Adopt Section 44-509 to read:

44-509 DATA COLLECTION

44-509

.1 The county shall collect and report data as required by CDSS.

.11 Information shall include, but not be limited to, the following:

.111 Total number of AFDC families receiving SCC payments each month, including the

(a) Number of AFDC-FG families receiving SCC payments each month, and

(b) Number of AFDC-U families receiving SCC payments each month.

.112 Total number of children receiving SCC payments each month by the type of child care (i.e., licensed or exempt, relative or non-relative, inside or outside child's home, family day care, or center care);

(a) Number of AFDC-FG children receiving SCC payments each month by the type of care, and

(b) Number of AFDC-U children receiving SCC payments each month by the type of care.

.113 Expenditures for children receiving SCC payments each month by the type of child care (i.e., licensed or exempt, relative or non-relative, inside or outside child's home, family day care, or center care);

(a) Amount of expenditures for AFDC-FG children each month by type of care, and

(b) Amount of expenditures for AFDC-U children each month by type of care.

.114 Number of months that each family has received child care services.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11451.7, Welfare and Institutions Code and Federal Action Transmittal JOBS-ACF-AT-92-1.

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 12-83)

## AGENCY

AGENCY FILE NUMBER (If any)

California Department of Social Services

0993-36

OAL FILE  
NUMBERSNOTICE FILE NUMBER  
Z-93-1123-05REGULATORY ACTION NUMBER  
94-0817-05EEMERGENCY NUMBER  
94-0304-01EPREVIOUS REGULATORY ACTION NUMBER  
94-0706-02C

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

SEP 2 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

SEP 2 1994

At 2:40'clock P.M.

By: Roberto Conice

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Supplemental Child Care Program		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)	
TITLE(S) MPP	ADOPT 40-021, 44-500, 44-501, 44-502, 44-503, 44-504, 44-505, 44-506, 44-507, 44-508, and 44-509
SECTIONS AFFECTED	AMEND 40-131.3, 40-181.1, and 40-111.3
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)
 ☐ Resubmittal
 ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)
 ☒ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only
 ☐ Other (specify) \_\_\_\_\_

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

June 16, 1994 to July 1, 1994

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State
 ☒ Effective on filing with Secretary of State
 ☐ Effective other (Specify) \_\_\_\_\_

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☒ Department of Finance (Form STD. 399)
 ☐ Fair Political Practices Commission
 ☐ State Fire Marshal

☐ Other (Specify) \_\_\_\_\_

## 6. CONTACT PERSON

Frank R. Vitulli, Chief, Regulations Development

TELEPHONE NUMBER

(916) 657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

DATE



AUG 17 1994

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

## Memorandum

To : Secretary of State  
1230 J Street, #209  
Sacramento, CA 95814

Date : September 2, 1994

File No. : 94-0817-05E

Telephone : 916/323-6225

From : Barbara Steinhardt-Carter  
Staff Counsel

Subject : Social Services regulation filing 94-0817-05E

The referenced regulatory filing affects Sections 40-021 through 44-509, non-consecutive, of the Manual of Policies and Procedures. On August 18, 1994, OAL filed these emergency regulations with the Secretary of State. At that time, the Std. Form 400 with the original signature of the Director of the Department of Social Services was unavailable for filing. It is enclosed. Would you please file the original with the faxed copy OAL filed with you on August 18, 1994, and return the file-endorsed copies to OAL?

Thank you very much. If you have any questions, please contact me at 916/323-6805.



## NOTICE PUBLICATION REGULATIONS SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

ORIGINAL

STD. 400 (REV. 2-91)

## AGENCY

California Department of Social Services

AGENCY FILE NUMBER (if any)

0993-40

OAL FILE  
NUMBERSNOTICE FILE NUMBER  
Z94-0322-02

REGULATORY ACTION NUMBER

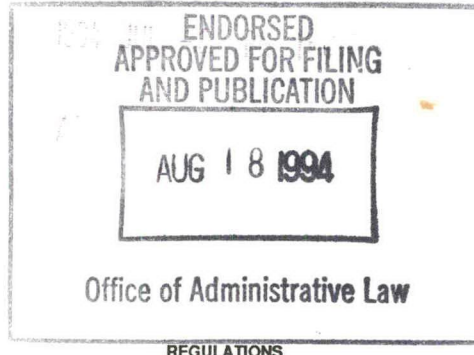
94-0708-03

EMERGENCY NUMBER

94-0322-05E

PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only



NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

AUG 18 1994

At 3:48 o'clock P.M.

By Deirdra Cornick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Increased Property Limits and Restricted Accounts for Recipients - CWPDP		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 94-113-2	PUBLICATION DATE 4-1-94

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)	
TITLE(S) MPP	ADOPT 40-022, 89-501, 89-502, 89-503, 89-504
SECTIONS AFFECTED	AMEND 42-207, 42-213, 44-352, 80-301, 89-102, 42-205 <i>amc</i>
	REPEAL 8-18-94

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)  
☐ Resubmittal  
☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)  
☐ Emergency (Gov. Code, § 11346.1(b))  
☒ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.  
☐ Print Only  
☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State  
☐ Effective on filing with Secretary of State  
☒ Effective other (Specify) September 1, 1994

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☒ Department of Finance (Form STD. 399)  
☐ Fair Political Practices Commission  
☐ State Fire Marshal  
☐ Other (Specify)

## 6. CONTACT PERSON

Frank Vitulli, Assistant Chief, Regulations Development Bureau

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

DATE

JUL 08 1994

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN  
REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

40-022 IMPLEMENTATION OF REGULATIONS FOR THE INCREASED PROPERTY LIMITS AND RESTRICTED ACCOUNTS PURSUANT TO SENATE BILL 35, CHAPTER 69, STATUTES OF 1993 AND SENATE BILL 1078, CHAPTER 1252, STATUTES OF 1993 FOR THE CALIFORNIA WORK PAYS DEMONSTRATION PROJECT 40-022

.1 Sections Implemented

The following amendments and adoptions comply with the provisions of Senate Bill 35, Chapter 69, Statutes of 1993 and Senate Bill 1078, Chapter 1252, Statutes of 1993. This regulatory action applies to recipients who are subject to the California Work Pays Demonstration Project and consists of:

Changes to increase the real and personal property limit from \$1,000 to \$2,000;

Changes to increase the exemption for one motor vehicle from \$1,500 to \$4,500; and *all agency 8-18-94*

Allows the AU to retain funds up to \$5,000 in a restricted account for specified purposes.

.11 Sections Adopted

89-501 Increased Property Limits for Recipients

89-502 \$2,000 Property Limit for Recipients

89-503 Increased Motor Vehicle Limit for Recipients

89-504 Restricted Accounts for Recipients

.12 Sections Amended

42-207 Property Which May Be Retained by An Applicant or Recipient

42-213 Property Items to Be Excluded in Evaluating Property Which May Be Retained

44-352 Overpayment Recoupment

80-301 Definitions

89-102 Federal Demonstration Project - Introduction

.2 Effective Date

All regulatory action implementing the provisions of Senate Bill 35, Chapter 69, Statutes of 1993 and Senate Bill 1078, Chapter 1252, Statutes of 1993 shall become effective April 1, 1994, for recipients who are subject to the California Work Pays Demonstration Project.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11155.1 and 11155.2, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.



Amend Section 42-205 to read:

42-205 DETERMINING OWNERSHIP OF REAL AND PERSONAL PROPERTY (Continued) 42-205

HANDBOOK BEGINS HERE

.6 See Sections 89-501 and 89-502 for the \$2,000 property limit which applies to AFDC FG/U recipients who are subject to the California Work Pays Demonstration Project, as specified in Division 89.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, 11155.1, 11155.2, and 11257, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

HANDBOOK BEGINS HERE

- .2 See Sections 89-501 and 89-502 for the \$2,000 property limit which applies to AFDC FG/U recipients who are subject to the California Work Pays Demonstration Project, as specified in Division 89.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, 11155.1, 11155.2, and 11257, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

.1 Real Property to Be Excluded (Continued)

.12 (Continued)

.123 (Continued)

(b) (Continued)

- (1) Advertising once a week in at least one publication of general circulation that the property is for sale. When an AU becomes resource eligible it will no longer be required to use out-of-pocket expenditures to market the property but shall continue to comply with Section 42-213.123(a). [Resource eligibility exists when the equity value of the real property (see Section 42-213.124) plus all countable resources is less than \$1,000].

HANDBOOK BEGINS HERE

- (A) See Section 89-501 for the higher property and motor vehicle limits for those recipients subject to the California Work Pays Demonstration Project, as specified in Division 89.

HANDBOOK ENDS HERE

(2) (Continued)

- .125 The county shall inform the applicant/recipient at the time this exemption is granted that it is time-limited; and, at the end of nine months the assistance unit will be ineligible if the property has not been sold and the combined value of real and personal property continues to exceed the \$1000 limit specified in Section 42-207.

HANDBOOK BEGINS HERE

- (a) See Sections 89-501 and 89-502 for the higher property and motor vehicle limits for those recipients subject to the California Work Pays Demonstration Project, as specified in Division 89.

HANDBOOK ENDS HERE

.126 (Continued)

.2 Personal Property to Be Excluded (Continued)

- z. One motor vehicle the net market value of which does not exceed \$1500. If the value of the motor vehicle exceeds the \$1500 limit, the excess over \$1500 shall be treated as a resource included in the property limit described in Section 42-207.

HANDBOOK BEGINS HERE

- (1) See Sections 89-501, 89-502 and 89-503 for the higher property and motor vehicle limits for those recipients subject to the California Work Pays Demonstration Project, as specified in Division 89.

HANDBOOK ENDS HERE

aa. (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, 11155.1, 11155.2, 11155.5, and 11257, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B) and (a)(4)(ii); Sidwell v. McMahon, United States District Court (E.D. Cal.) May 7, 1990, civil no. S-89-0445; and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

.1 Calculation of the Overpayment (Continued)

.11 (Continued)

.115 (Continued)

HANDBOOK BEGINS HERE

(a) See Section 89-501 for the higher property and motor vehicle limits for those recipients subject to the California Work Pays Demonstration Project, as specified in Division 89.

(b) (Continued)

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11017, 11155, 11155.1, 11155.2, 11257, 11450, 11452, and 11453, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B) and (a)(13)(i)(A)(2); and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

(r) (1) Recipient

"Recipient" means a person who is receiving AFDC.

(A)

A person becomes a "recipient" on the date on which both of the following conditions are met:

1. the person meets all conditions of eligibility, and
2. the county signs authorization documents to approve the application for AFDC.

HANDBOOK BEGINS HERE

(B)

An applicant who has been approved for an immediate need and/or homeless assistance payment based on his/her apparent eligibility is not considered to be a recipient, as specified in Section 40-129. In these cases, the county has not signed authorization documents to approve the AFDC application.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: 45 CFR 233.10(a)(1) and Section 11450, Welfare and Institutions Code.

CHAPTER 89-100 ASSISTANCE PAYMENTS DEMONSTRATION PROJECT (APDP) AND  
CALIFORNIA WORK PAYS DEMONSTRATION PROJECT (CWPDP)

89-102 FEDERAL DEMONSTRATION PROJECTS - INTRODUCTION

89-102

HANDBOOK BEGINS HERE

- .1 Background Pursuant to state law, the California Department of Social Services has requested and received federal approval for two California Demonstration Projects entitled the Assistance Payments Demonstration Project and the California Work Pays Demonstration Project. These Projects enable California, in accordance with their federally mandated Terms and Conditions, to implement certain new AFDC provisions.

The Assistance Payments Demonstration Project provisions are contained in Division 89. They include work incentive provisions, MAP reductions and a relocation grant restriction. The California Work Pays Demonstration Project provisions contained in Division 89 include increased property limits and restricted accounts.

HANDBOOK ENDS HERE

- .2 Control Group The county shall not apply the Division 89 Assistance Payments Demonstration Project and the California Work Pays Demonstration Project provisions to those applicants and recipients who are designated as members of the Projects' control groups. The designation and treatment of the control groups shall be accomplished pursuant to the Projects' mandated parameters outlined in the Federal Terms and Conditions as approved by the Secretary of the Department of Health and Human Services.

Authority Cited: Sections 10553, 10554, 11201.5, 11209, and 11450(g), Welfare and Institutions Code.

Reference: Sections 11155.1, 11155.2, 11201.5, 11450.01, and 11450.03, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); Federal Terms and Conditions for the Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; and Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

## 89-501 INCREASED PROPERTY LIMITS FOR RECIPIENTS

## .1 General

.11 \$2,000 Property Limit

.12 \$4,500 Motor Vehicle

.13 \$5,000 Restricted  
Account

## .2 Excess Property Discovered

.21 Example 1



The AU is overpaid from July through October, but is eligible in November and will have the higher property limits beginning November 1st.

.22 Example 2

In September a family applies for aid and is approved; they have the following property:

\$ 300	checking account
<u>+600</u>	savings account
\$ 900	total countable property

In October the AU opens a restricted savings account with a balance of \$200.

In November the caretaker relative reports that he has just discovered a paid-up life insurance policy he had forgotten about which had a cash surrender value (CSV) of \$500 since September.

The AU's property is as follows:

\$ 300	checking
+600	savings
<u>+500</u>	CSV life insurance
\$ 1400	total
<u>-1000</u>	limit for applicants
\$ 400	excess property September & October
<u>+ 200</u>	restricted account opened in
	October
\$ 600	excess property beginning November

The county sends a timely notice to discontinue aid effective November 30th. The caretaker relative immediately withdraws the \$200 from the restricted account and \$400 from the savings account to buy a new refrigerator on November 29th.

The new date of eligibility for increased property limits is December 1st (the first day of the month following the date the AU was at or below the \$1,000 limit for applicants). The AU is overpaid for September, October, and November.

Since the AU exceeded the \$1,000 property limit when the application was approved, the AU was not eligible for any of the higher property limits and the "restriction" on the second savings account is not applicable. As such, a

period of ineligibility for a nonqualifying  
withdrawal also does not apply.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, 11155.1, 11155.2, and 11257,  
Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); and  
the Federal Terms and Conditions for the California Work Pays  
Demonstration Project as approved by the United States  
Department of Health and Human Services on March 9, 1994.

.1 General

When an AU includes a recipient, the county shall apply a \$2,000 limit to the net market value of the AU's countable property without regard to the \$5,000 restricted account specified in Section 89-504.

HANDBOOK BEGINS HERE

.2 Example 1

A family applies for AFDC on February 3rd. The otherwise eligible AU has countable property of \$700. The county approves the application on March 13th. The family reports that on March 15th, they received stocks from an inheritance worth \$1,000. Their total property on March 15th was \$1,700.

The AU is eligible because their property did not exceed the \$1,000 limit for applicants until after their application was approved and they are under the \$2,000 limit for recipients.

.3 Example 2

A minor mother and her child moved out of her senior parent's home to live with her child's father on June 3rd. The minor mother and her child were receiving aid in the senior parent's AU through June 30th.

On June 5th, the minor mother requests aid for herself, her child, and the father of her child; the beginning date of aid is July 1st. The new AU's property is as follows:

\$ 300	minor mother's cash
<u>+1,500</u>	father's savings account
\$1,800	AU's total property

The county applies the \$2,000 property limit for recipients because the minor mother and her child did not have a break in aid, and thus are considered recipients.

.4 Example 3

An AU which includes a recipient has countable property of \$1,700. The AU reports that another child moved in with them on May 31st. The child has a \$500 savings account. The county determines that the entire AU is ineligible due to excess property effective June 1st:

\$ 500	savings account of new child
<u>+1,700</u>	AU's other property
\$2,200	AU's total property
<u>-2,000</u>	property limit for recipients
\$ 200	excess property

The county sends a timely notice of action to discontinue aid effective June 30th and determines an overpayment for June.

If the AU spends down to the \$2,000 limit on or before June 30, the county will rescind the discontinuance; however, the overpayment will remain. If the AU does not spend down to the \$2,000 limit, it will be subject to the \$1,000 property limit for applicants if it reapplies later.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, 11155.1, and 11257, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

.1 General

The county shall exempt up to \$4,500 for one motor vehicle that is owned by a member of an AU which includes a recipient.

.11 Vehicle Over  
\$4,500 Limit

When the vehicle's net market value exceeds the \$4,500 limit, the excess value shall be included in the \$2,000 property limit specified in Section 89-502. See Section 42-215.4 for determining the value of a motor vehicle.

HANDBOOK BEGINS HERE

.2 Example

An AU which includes a recipient reports they now have the following property (net market values are shown):

1st motor vehicle:	\$2,500
2nd motor vehicle:	\$1,200
savings account:	\$ 500

The county exempts the 1st motor vehicle because it has the highest value. The 2nd motor vehicle's value is added to the AU's other countable property ( $\$1,200 + \$500 = \$1,700$ ). The AU is property eligible because the countable property does not exceed the \$2,000 property limit for recipients.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, 11155.1, and 11257, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

- (a) General                      An AU which includes a recipient shall be allowed to retain cash reserves totalling up to a maximum of \$5,000 in one or more restricted accounts at a financial institution.
- (1) Additional Funds              The funds shall be in addition to the \$2,000 property limit specified in Section 89-502.
- (b) Written Agreement              Before an account can be designated as "restricted," the caretaker relative shall sign an agreement with the county welfare department which sets forth the requirements, restrictions and penalties specified in Section 89-504.
- (1) Advice                      The written agreement shall include a statement which advises recipients to first retain resources close to the \$2,000 limit to pay for unexpected expenses or emergencies before they enter into a written agreement.
- (c) Account Information              The AU shall provide verification to the county of the following information for each account within 30 calendar days from the date of the written agreement. Failure to comply will result in termination of the agreement.
- (1) Names of Persons On the Account(s)              Names of persons as shown on the restricted account;
- (2) Institution                      Name and address of the financial institution;
- (3) Number                      Account number; and
- (4) Balance                      Account balance and activity since the date the agreement was signed.
- (d) Specific Purpose              The funds must be retained for one or more of these specific purposes:
- (1) Home                      purchase of a home;
- (2) Education                      postsecondary education or vocational training of a person who is or was a child in the AU on or after the date of the written agreement; or
- (3) Business                      start up of a new business.
- (e) Separate Account              The AU must establish and maintain a restricted account separately from any other accounts.

(f) Interest Exemption

The county shall exempt interest payments for purposes of determining AFDC eligibility and grant amount when the interest is deposited directly into the account by the financial institution.

(1) Direct  
Receipt

The county shall determine that interest which is not deposited directly into the restricted account is a nonqualifying withdrawal.

(2) Erroneous  
Receipt

When interest is not deposited directly into the account due to an error caused by the financial institution, the AU is allowed 30 calendar days from the date of receipt to deposit the interest into the restricted account.

(A)

Failure to deposit the interest within 30 calendar days shall result in a determination that a nonqualifying withdrawal has occurred, unless good cause exists for exceeding the 30-day limit as specified in Section 89-504(j).

~~(g) Qualifying Withdrawal~~

The AU is allowed 30 calendar days from the date of a withdrawal to expend funds for one or more of the following expenses:

(1) Purchase  
of a Home

Expenses associated with the purchase of a home that will be the principal residence of the AU.

(A)

These expenses include, but are not limited to, deposits, fees, down payment, principal payment, repairs, fixtures and closing costs.

(B)

Expenses for furniture and household goods are not allowable.

(2) Child's  
Education

Expenses associated with the postsecondary education or vocational training for a person who is or was a child in the AU on or after the date of the written agreement.

(A)

These expenses include, but are not limited to, the following:

1.

fees, tuition, books, school supplies, equipment, special clothing needs, student housing, meals, transportation costs to and from school, child care services necessary for school attendance.

(3) Start Up  
of a New  
Business

Business expenses that are directly related to the start up costs of a new business.

- (A) Allowable expenses shall include, but are not limited to, the following:
1. purchase and maintenance of capital equipment, uniforms or other protective or required clothing and shoes; tools; inventory; payments on loan principal and interest for capital assets or durable goods; rent for office or floor space and associated utilities; shipping and delivery costs; employee salary; fees; business taxes; insurance; and bookkeeping or other professional services.
- (B) Personal expenses such as entertainment are not allowable.
- (4) No Expense Incurred Funds, which are withdrawn in anticipation of an expense that does not occur or are less than anticipated, shall be redeposited into the restricted account within 30 calendar days from the date of the withdrawal.
- (1) Failure to timely redeposit the funds shall result in a determination that a nonqualifying withdrawal has occurred, unless good cause exists as specified in Section 89-504(j).
- (h) Verification The AU shall provide verification of the following items within 30 calendar days from the date of expenditure:
- (1) Balance balance prior to the withdrawal;
  - (2) Date and Amount date and amount of the withdrawal; and
  - (3) Receipts a receipt, cancelled check, or signed statement from the provider of goods or services which verifies the type and the amount of expense paid.
- (i) Nonqualifying Withdrawal Except as specified in Section 89-504(p)(1), the county shall determine that a nonqualifying withdrawal has occurred when:
- (1) Noncooperation the AU fails to expend funds or to provide verification of a withdrawal or expenditure within the required time limit unless good cause, as specified in Section 89-504(j), exists for exceeding the time limit;
  - (2) Nonallowable Purpose the AU withdraws or spends the funds for purposes or expenses other than those allowed under this section; or



- (3) Receipt of Interest Income      the interest payment was not deposited directly into the account by the financial institution.
- (j) Good Cause      The county shall determine that good cause exists for exceeding the time limits specified at Sections 89-504(f)(2), (g), and (h) when any of the following situations exist.
- (1) Beyond AU's Control      Circumstances exist which are beyond the AU's control.
- (A)      These circumstances include, but are not limited to, illness or medical emergency, failed or delayed completion of a home purchase, lack of transportation, or other extenuating circumstances found by the county.
- (B)      When good cause is found to exist, the AU will be allowed to fulfill the necessary requirement within a reasonable period of time based on the circumstances for the delay, as determined by the county, to avert a determination of a nonqualifying withdrawal.
- (2) AU Complies Before the Effective Date of the Notice      Good cause also exists when the AU complies with the necessary requirement before the effective date of the notice of action. In these situations, the county shall rescind the notice of action.
- (k) Period of Ineligibility      When the county determines that a nonqualifying withdrawal exists, the county shall calculate a period of ineligibility.
- (1) Calculation      To calculate the period of ineligibility, the county shall first determine the total amount in all of the restricted accounts immediately prior to the nonqualifying withdrawal or prior to the issuance of an interest payment when it is not directly deposited into the account by the financial institution, and:
- (A)      subtract any portion which the county determines to be a qualifying withdrawal;
- (B)      divide the result by the minimum basic standard of adequate care (MBSAC) for the number of persons in the AU, plus any special needs; and
- (C)      round down the result to the nearest whole number for the number of months of ineligibility.

(1) Applying the Period of Ineligibility

When the county determines that a period of ineligibility is applicable, the period of ineligibility shall begin on the first day of the month following the nonqualifying withdrawal.

(1) One Month of Ineligibility

When ineligibility exists for only one month, the county shall suspend aid on the first day of the month following the nonqualifying withdrawal.

HANDBOOK BEGINS HERE

(m) Examples

(1) Example 1:

Bank balance prior to 5/96 withdrawal:	\$5,000
Amount withdrawn from account:	\$4,500
Amount used to purchase home:	\$3,000
Amount used to buy furniture:	\$1,500

(A)

Since the AU used a portion of the withdrawal on a nonallowable expenditure, the county shall calculate a period of ineligibility as follows:

1. 

\$5,000	balance prior to withdrawal
<u>-3,000</u>	allowable expense for purchase of home
\$2,000	remainder
2. Divide the remainder (\$2,000) by MBSAC + special needs for an AU of 3  
(\$2,000 divided by \$715 = 2.79)
3. Round down the result to the nearest whole number (2).
4. The AU is ineligible for two months beginning 6/96 due to a nonqualifying withdrawal.

(2) Example 2:

An AU of three has the following property:

\$ 100	checking account
+1000	restricted account
<u>+ 800</u>	savings account
\$ 1900	Total

(A)

The AU wants to buy new furniture and withdraws all of their funds from their accounts, including the restricted account, to pay for the purchases in 5/96. The county determines that the AU made a nonqualifying withdrawal.

(B) Although the AU's total property reserve prior to the nonqualifying withdrawal is under the \$2,000 property limit, the county will calculate a period of ineligibility as follows:

- |    |  |        |
|----|--|--------|
| 1. | Balance prior to nonqualifying withdrawal in 5/96                        | \$1000 |
| 2. | Divide by MBSAC for 3 (\$715)  |        |
| 3. | Result   | 1.3    |
| 4. | Round down to nearest whole number for number of months of ineligibility | 1      |

(C) Since the period of ineligibility is only for one month, aid for 6/96 will be suspended rather than discontinued. As the AU members will retain their recipient status, the higher property limits will continue to apply.

HANDBOOK ENDS HERE

(n) Shortening The Period of Ineligibility

The county shall shorten the period of ineligibility when the AU reapplies for aid and the standard of need increases.

(1) An increase in the standard of need includes any increase in AU size, general increase in the MBSAC (COLA increases), or a determination that the ineligible family would be eligible for a special need item as specified in Section 44-211.

(2) Calculation To shorten the period of ineligibility due to an increase in the standard of need, the county shall:

(A) Identify the restricted account balance used to calculate the original period of ineligibility.

(B) Identify the original MBSAC plus any special needs allocated to the ineligible family unit and multiply it by the number of ineligible months prior to the increase. Subtract the total from the amount in Section 89-504(n)(2)(A).

(C) Divide the result calculated in Section 89-504(n)(2)(B) by the increased standard of need. Round down the result to the nearest whole number.

(D) The revised period of ineligibility is the final result in Section 89-504(n)(2)(C) plus the number of ineligible months prior to the increase.

- (E) The revised period of ineligibility shall begin in the same month as the original period of ineligibility.

HANDBOOK BEGINS HERE

- (3) Example An AU of two is in a period of ineligibility due to a nonqualifying withdrawal. The pertinent facts of the period of ineligibility are as follows:

- |     |         |  |
|-----|---------|--|
| (A) | \$ 2000 | original balance used to calculate the period of ineligibility |
|     | \$ 576  | original MBSAC   |
|     | 3       | number of months of ineligibility                              |
|     | January | first month of ineligibility                                   |

The AU size increased to three people in February and the need standard increased to \$715.

- |     |              |   |
|-----|--------------|---|
| (B) | \$2000       | original balance  |
|     | <u>- 576</u> | MBSAC for one month of ineligibility                      |
|     | \$1424       | result; divide by increased MBSAC for 3 (\$715)           |
|     | 1.99         | result  |
|     | 1            | number of ineligible months after increase (rounded down) |
|     | 1            | number of months before increase                          |
|     | <u>+ 1</u>   | number of months after increase                           |
|     | <u>2</u>     | revised period of ineligibility (number of months)        |

The prior period of ineligibility has been reduced from three months to two months; January and February are the ineligible months.

HANDBOOK ENDS HERE

- (o) Establishing a Separate AU for Other Eligibles A separate AU may be established for an otherwise eligible person whose needs were not considered in the calculation of the period of ineligibility.
- (p) When Balance Exceeds \$5,000 When the restricted account exceeds \$5,000 on the first day of a month, the county shall add the excess over the \$5,000 limit to the AU's other countable property.
- (1) Interest Payments When the \$5,000 limit is exceeded solely due to the deposit of interest payment(s), the county shall:

- (A) allow the AU to withdraw the interest payment which caused the restricted account balance(s) to exceed the \$5,000 limit; and
- (B) not calculate a period of ineligibility for the withdrawal of the interest.
- (q) Termination of the Written Agreement
- The written agreement for the restricted account terminates when:
- (1) the AU is discontinued from AFDC; or
  - (2) the restricted account is closed; or
  - (3) the AU does not provide timely verification of the account information as specified in Section 89-504(c); or
  - (4) state or federal law changes the conditions or no longer permits these restricted accounts.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, and 11155.2, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

AGENCY

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

(See instructions on reverse)

Original  
For use by Secretary of State onlyOAL FILE  
NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

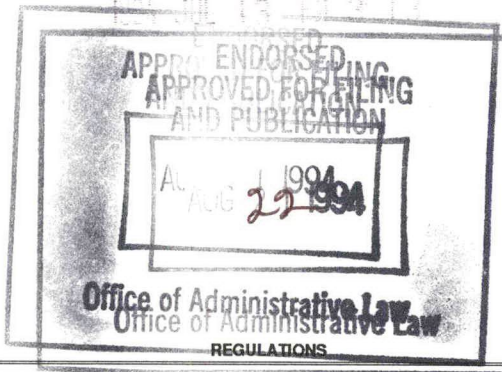
EMERGENCY NUMBER

AGENCY FILE NUMBER (if any)

0693-23

PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only



NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

AUG 22 1994

At 3:29 o'clock M.

By Roberta Conick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Toddler Option & Ratio Change with Qualified Aide		TITLE(S)		FIRST SECTION AFFECTED		2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER			
OAL USE ONLY <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		ACTION ON PROPOSED NOTICE		NOTICE REGISTER NUMBER 73, #53-2		PUBLICATION DATE 10-31-92	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)	
TITLE(S) 22	ADOPT 101316.6 and 101417
SECTIONS AFFECTED	AMEND 101152, 101169, 101185, 101252, and 101316.3, 101316.5, 101352. <i>Re</i>
	REPEAL

## 2. TYPE OF FILING

☒ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☐ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only ☐ Other (specify)

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

5/6/94 - 5/23/94.

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☒ Effective 30th day after filing with Secretary of State ☐ Effective on filing with Secretary of State ☐ Effective other (Specify)

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal☐ Other (Specify)

6. CONTACT PERSON

Frank Vitulli

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

DATE

July 7, 1994

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN  
REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Section 101152 to read:

101152      DEFINITIONS      (Continued)

101152

(t)      ~~Reserved~~ (1)      "Toddler Component" means the component of a preschool or infant care program designed for children between the ages of 18 months and 30 months.

Authority Cited:      Sections 1596.81 and 1596.858(e), Health and Safety Code.

Reference:      Sections 1502, 1596.72, 1596.73, 1596.74, 1596.75, 1596.750, 1596.76, 1596.77, 1596.770, 1596.78, 1596.79, 1596.790, 1596.791, 1596.81, ~~and~~ 1596.858(e), 1596.955, and 1596.956, Health and Safety Code; and Section 11006.9, Welfare and Institutions Code.



Amend Section 101169(a)(1) to read:

101169 APPLICATION FOR LICENSE

101169

(a) (Continued)

- (1) Applicants for licensure of a combination center shall be permitted to file one application.

(A) Licensees requesting the addition of a toddler component to their preschool or infant care program must submit an amended application. The toddler program component shall be considered an extension of the preschool or infant care license.

Authority Cited: Section 1596.81, Health and Safety Code.

Reference: Sections 1596.81(b), 1596.83, 1596.856, 1596.877, ~~and~~ 1596.95, 1596.955, and 1596.956, Health and Safety Code.

Amend Section 101185(a) (3) to read:

101185 SUBMISSION OF NEW APPLICATION

101185

(a) (Continued)

(3) Any change in facility category.

(A) A licensee wishing to add a toddler component to its existing preschool or infant care program must submit an amended application.

Authority Cited: Section 1596.81, Health and Safety Code.

Reference: Sections 1596.72, 1596.73, ~~and~~ 1596.81, 1596.955, and 1596.956, Health and Safety Code.

Amend Section 101252 to read:

101252      DEFINITIONS    (Continued)

101252

t. ~~(Reserved)~~ (1)    "Toddler Component" means the component of a preschool program designed for children who are between the ages of 18 months and 30 months.

Authority Cited:    Section 1596.81, Health and Safety Code.

Reference:           Sections 1596.72, 1596.73, 1596.74, 1596.75, 1596.76, ~~and~~ 1596.81, and 1596.955, Health and Safety Code.

Amend Section 101316.3 to read:

101316.3 TEACHER AIDE QUALIFICATIONS AND DUTIES (Continued)

101316.3

(d) An aide assisting a fully qualified teacher (as specified in Section 101316.2 (c)) in the supervision of up to 18 preschool age children, pursuant to Section 101316.5, shall meet the following requirements:

- (1) Completion of six postsecondary semester or equivalent quarter units in early childhood education or child development, or
- (2) Completion of at least two postsecondary semester units or equivalent quarter units in early childhood education or child development each semester or quarter following initial employment, and
- (3) Continuation in the educational program each semester or quarter until six units have been completed.

(de) (Continued)

Authority Cited: Section 1596.81, Health and Safety Code.

Reference: Sections 1596.72, 1596.73, 1596.81, 1596.87, ~~and~~ 1597.05, and 1597.059, Health and Safety Code.

Amend Section 101316.5(b) to read:

101316.5 TEACHER-CHILD RATIO (Continued)

101316.5

(b) The licensee shall be allowed to use teacher's aides in a teacher-child ratio of one teacher and one aide for every 15 children in attendance.

(1) A ratio of one fully qualified teacher, as specified in Section 101316.2(c), and one aide for every 18 children in attendance in a preschool program shall be allowed when the aide meets the qualifications specified in Section 101316.3(d).

(A) This ratio applies only to children enrolled in a day care center who are not enrolled in either an infant care center or schoolage child day care center.

Authority Cited: Section 1596.81, Health and Safety Code.

Reference: Sections 1596.72, 1596.73, 1596.81, ~~and~~ 1597.05, and 1597.059, Health and Safety Code.

Adopt Section 101316.6 to read:

101316.6      PRESCHOOL PROGRAM WITH TODDLER COMPONENT

101316.6

- (a) Licensees serving preschool age children may create a special program component for children between the ages of 18 months and 30 months. The provisions of Sections 101151 through 101339.2 shall apply for children over 24 months, except as specified in Sections 101316(a)(1) through (6). The provisions of Sections 101351 and 101439.1 shall apply for children between the ages of 18 and 24 months participating in a preschool toddler component, except as specified in Sections 101316.6(a)(1) through (6).
- (1) Day care centers with an existing preschool program wishing to establish a toddler component shall submit an amended application and obtain approval from the Department.
- (2) Children in a day care center between the ages of 18 months and 30 months may be placed in the toddler program. Children older than 30 months may participate in the toddler program with written parental permission. No children shall be placed in the preschool program before the age of 30 months without written parental permission.
- (3) It shall be permissible for a child whose developmental needs require continuation in a toddler component to remain in the toddler component up to a maximum age of three years.
- (4) A ratio of six children to each teacher shall be maintained for all children in attendance in the toddler program. An aide who is participating in on-the-job-training may be substituted for a teacher when directly supervised by a fully qualified teacher.
- (5) The maximum group size, with two teachers, or one fully qualified teacher and one aide, shall not exceed 12 toddlers.
- (6) The toddler program shall be conducted in areas physically separate from those used by older or younger children. Space planning and usage for the toddler component shall be governed by the provisions of Section 101438.3. Plans to alternate use of outdoor play space must be approved by the Department.
- (A) Requirements for physical separation between children in the toddler component and older or younger children need not apply when a planned activity is being conducted.

Authority Cited:            Section 1596.81, Health and Safety Code.

Reference: Section 1596.955, Health and Safety Code.

Amend Section 101352 to read:

101352      DEFINITIONS      (Continued)

101352

t.    ~~Reserved~~ (1)    "Toddler Component" means the component of an infant care program designed for children who are between the ages of 18 months and 30 months.

Authority Cited:    Section 1596.81, Health and Safety Code.

Reference:    Sections 1596.75, 1596.750, ~~and~~ 1596.76, and 1596.956, Health and Safety Code.

Adopt Section 101417 to read:

101417      TODDLER COMPONENT IN AN INFANT CARE CENTER

101417

- (a) Licensees serving infants may create a special program component for children between the ages of 18 months and 30 months. The provisions of Sections 101151 through 101239 and 101351 and 101439.1 shall apply to infant care centers operating a toddler component, except as specified in Sections 101417(a)(1) through (6).
- (1) Day care centers with an existing infant care program wishing to establish a toddler component shall submit an amended application and obtain approval from the Department.
- (2) Children in a day care center between the ages of 18 months and 30 months may be placed in the toddler program. No children shall be placed in the toddler program before the age of 18 months.
- (3) The infant care center shall obtain written permission from parents for the placement of their children in the toddler program.
- (4) A ratio of six children to each teacher shall be maintained for all children in attendance in the toddler program. An aide who is participating in on-the-job-training may be substituted for a teacher when directly supervised by a fully qualified teacher.
- (5) The maximum group size with two teachers, or one fully qualified teacher and one aide, shall not exceed 12 toddlers.
- (6) The toddler program shall be conducted in areas physically separate from those used by older or younger children. Space planning and usage for the toddler component shall be governed by the provisions of Section 101438.3. Plans to alternate use of outdoor play space must be approved by the Department.
- (A) Requirements for physical separation between children in the toddler component and older or younger children need not apply when a planned activity is being conducted.

Authority Cited:      Section 1596.81, Health and Safety Code.

Reference:      Section 1596.956, Health and Safety Code.



## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

(See instructions on reverse)

Original  
For use by Secretary of State only

## AGENCY

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

AGENCY FILE NUMBER (If any)

RDB #0594-16

OAL FILE  
NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

94-0816-05E

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

AUG 24 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

AUG 24 1994

At 3:58 o'clock P.M.

By Roberta Lomick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Mickey Leland Childhood Hunger Relief Act		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S)	ADOPT 63-023
SECTIONS AFFECTED	AMEND 63-102, 63-402, 63-407, 63-501, 63-502, 63-503, 63-504, 63-805, and 63-1101 REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)
 ☐ Resubmittal
 ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)
 ☒ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only
 ☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State
 ☐ Effective on filing with Secretary of State
 ☒ Effective other (Specify) September 1, 1994

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399)
 ☐ Fair Political Practices Commission
 ☐ State Fire Marshal

☐ Other (Specify)

## 6. CONTACT PERSON

Frank Vitulli, Chief, Regulations Development

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

DATE

AUG 16 1994

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN  
REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Adopt new Section 63-023 to read:

63-023 IMPLEMENTATION OF PROVISIONS OF THE MICKEY LELAND CHILDHOOD  
HUNGER RELIEF ACT (P.L. 103-66)

63-023

- .1 County welfare departments (CWDs) shall implement any changes in regulatory provisions based on the effective date of these amendments regardless of budgeting method.
- .2 Section 63-023; Sections 63-102i.(4), and t.(5); Sections 63-402.146, .42, .421, .62, and .621(b); Sections 63-407.811(c)(1)(B) and .832; Sections 63-501.3(k)(16) and (16)(A), .521(h), .522, .522(a) and (b), .524 and .524(a), .525, and .526; Sections 63-502.2(b)(2)(C) and (D), and (i); Sections 63-503.13; .471, and .472; Sections 63-504.311(e)(1) and .618(c) and (e); Section 63-805.1; and Handbook Section 63-1101.23, as amended herein, shall become effective September 1, 1994.
- .3 For all food stamp applicants, the regulations become effective on September 1, 1994. Restored benefits are to be provided back to the date of application or September 1, 1994, whichever occurred later.
- .4 For continuing cases, these provisions shall be implemented upon request by the household at recertification, when the case is next reviewed, or when the county welfare department becomes aware that a review is needed, whichever occurs first.
- .5 Sections 63-102h.(1) and 63-502.2(j), as amended herein as a result of Hamilton v. Madigan (9th Cir. 1992) 961 F.2d 838 and the subsequent district court orders in Hamilton v. Lyng, were effective with the August 1, 1988 allotments. Food Stamp benefits are to be restored retroactive to July 1, 1988 to recipients whose allotments were reduced, suspended or terminated because the homeless assistance they received was counted as income. AFDC homeless assistance payments are to be excluded from income in any state hearing decisions regardless of whether the CWD action occurred before or after the effective date of the injunction. This would include cases pending back to February 1, 1988.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Public Law 103-66, Section 13971(b)(4); U.S.D.A. Food and Nutrition Service Administrative Notice 94-39; and the July 8, 1988 and July 26, 1988 district court orders in Hamilton v. Lyng.

Renumber Section 63-102t.(1) to Section 63-102t.(5) and Sections 63-102t.(2) through (5) to Sections 63-102t.(1) through (4), respectively and amend Sections 63-102h., i.(4)(A)(b), and t.(5) to read:

63-102 DEFINITIONS (Continued)

63-102

h. (1) "Homeless Assistance" payments for AFDC are considered "nonrecurring lump sum payments" and include:

(A) Payments for "temporary shelter assistance" for a homeless family seeking permanent housing, not to exceed the current temporary shelter consecutive-day time limit.

(B) Payments for "permanent housing" to pay for security deposits and utility deposits once permanent housing is located.

"AFDC Interim shelter" payments are not to be included as "Homeless Assistance" under this definition.

(2) (Continued)

(3) (Continued)

(4) (Continued)

i. (Continued)

(4) "Initial Application and Certification" means:

(A) For the purpose of prorating benefits (see Section 63-503.13):

(a) The first application for benefits a household has ever filed, or

(b) An application for certification filed after any period of more than one month during which the household was not certified for participation ~~break in certification.~~  
(Continued)

t. (1) (Continued)

(2) (Continued)

(3) (Continued)

(4) (Continued)

- (75) "Temporary Transitional housing" for the purposes of determining if part of a vendor payments for housing assistance should be excluded as income means; time limited residency to facilitate the movement of homeless individuals and families to permanent housing in a place lacking facilities for preparing and cooking hot meals or for the refrigerated storage of food for home consumption. The residency will shall be determined to be time limited when the household states that their housing situation is temporary, or the CWD or the housing unit imposes a time limit.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code; 8 U.S.C.A. Section 1522(e); 42 U.S.C.A. 601, et seq.; and 42 U.S.C.A. 5122; 7 CFR 273.1(c)(5); 7 CFR 271.2; 7 CFR 273.11(c)(3); 7 CFR 273.2, (j), and (j)(4); 7 CFR 273.9(c)(1)(ii)(D); 7 CFR 273.11(a)(2)(iii); 7 CFR 273.12(a)(1) and (a)(4); 7 CFR 273.16(c); 7 CFR 273.21(b); 7 CFR 274.3(a)(2); 7 CFR 2710.2; 45 CFR part 401; 45 CFR 400.62; (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) \_\_\_\_ F. Supp. \_\_\_\_ [Dock. No. CV-89-0768]); Section 66011, Education Code; Sections 10554 and 18904, Welfare and Institutions Code; and Section 902, Public Law (P.L.) 102-237, Section 902; 7 U.S.C. 2014(c)(2)(B) and (k)(2)(F); U.S.D.A. Food and Nutrition Service Administrative Notice 94-39; Hamilton v. Madigan (9th Cir. 1992) 961 F.2d 838.

Amend Sections 63-402.14, .42, .62, and .621(b) to read:

63-402 HOUSEHOLD CONCEPT

63-402

.1 Household Definition

.14 Separate household status shall not be granted to: (Continued)

.146 Children of narcotic addicts or alcoholics who reside at a treatment center as specified in Section 63-402.4. (Continued)

.4 Residents of Institutions (Continued)

.42 Narcotic addicts or alcoholics who, for the purpose of regular participation in a drug or alcohol treatment and rehabilitation program, reside at a treatment center. An individual must be a resident of the center and participating in the treatment or rehabilitation program to qualify for the Food Stamp Program as outlined in Section 63-503.47. In addition, children of narcotic addicts or alcoholics, residing in centers providing meals, shall qualify for the Food Stamp Program as specified in Section 63-503.47.

.421 If the spouse and/or family members (other than the children of the narcotic addict or alcoholic) reside at the treatment or rehabilitation center, but do not receive treatment and the center customarily provides meals for residents, the spouse and/or family members are residents of an institution and are not eligible for food stamp benefits. If the treatment or rehabilitation center does not provide meals to the spouse and/or family members residing at the center, ~~the spouse and/or family members residing at the center~~, the spouse and/or family members are roomers and may participate in the Food Stamp Program as separate households if otherwise eligible as specified in Section 63-402.2. (Continued)

.6 Authorized Representatives (Continued)

.62 Drug addict/alcoholic treatment centers and group living arrangements as authorized representatives. Narcotic\$ addicts or alcoholics who regularly participate in a drug or alcoholic treatment program on a resident basis and disabled or blind residents of group living arrangements as defined in Section 63-102(~~ff~~)g(2) who receive benefits under Title II or Title XVI of the Social Security Act may elect to participate in the food stamp program. However, if per Section 63-402.2, Title XVI recipients are ineligible for food stamps, this ineligibility shall apply to Title XVI (SSI) recipients residing in group living arrangements.

.621 (Continued)

- (b) Each resident participating in the treatment program, together with his/her children, shall be certified as ~~a one~~ ~~person~~ an individual household without regard to a spouse and/or family members (other than the children of the narcotic addict or alcoholic) who may or may not reside at the treatment center.

Authority Cited: Section 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.1(a)(1) through (b)(1); 7 CFR 273.1(a)(2)(i)(B) and (C); 7 CFR 273.1(b)(1)(iii); 7 CFR 273.1(b)(2)(iii); 7 CFR 273.1(c); 7 CFR 273.1(c)(1); 7 CFR 273.1(e)(1); 7 CFR 273.1(d)(1) and (2); 7 CFR 273.1(g); 7 CFR 273.2(j)(4); 7 CFR 273.10(c)(1)(i); 7 CFR 274.5 and 7 CFR 274.10; USDA Administrative Notice 89/65/Policy Memo 89-11 and 89-12, and U.S.D.A. Food and Nutrition Service Administrative Notice 94-39; ~~and~~ Sections 10554 and 18904, Welfare and Institutions Code; and 7 U.S.C. 2012.

Amend Sections 63-407.811(c)(1)(B) and .832 to read:

63-407 WORK REGISTRATION REQUIREMENTS (Continued)

63-407

.8 Food Stamp Employment and Training Program

.81 CWD Screening

The CWD shall screen each work registrant to determine whether or not the registrant will participate or be deferred from the FSET Program. This requirement shall not apply in counties that are totally geographically excluded as allowed in Section 63-407.842.

.811 The following registrants shall be deferred from mandatory participation until the CWD determines that the situation precluding participation no longer exists. (Continued)

(c) A person who is unable to participate due to personal circumstances. This shall include persons who:

(1) Lack dependent care;

(A) Lack of child care is defined in accordance with Section 63-408.41(j).

(B) Lack of dependent care shall be determined if dependent care costs exceed ~~\$100/00~~ the maximum dependent care deduction per month per dependent. (The current amounts are reproduced in Handbook Section 63-1101.23.) (Continued)

.83 Participant Reimbursement

As of July 1, 1989 and thereafter, the CWD shall reimburse participants, including volunteers and applicants, for costs that are reasonably necessary and directly related to participation as specified in Sections 63-407.831, .832 and .833. The CWD shall inform each participant that allowable expenses up to the amounts identified in this section shall be reimbursed upon presentation of appropriate documentation. (Continued)

.832 For dependent care costs, the CWD shall reimburse the actual cost in an amount not to exceed ~~\$100~~ the maximum dependent care deduction per month per dependent. (Continued)



Authority Cited: Sections 10553, 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.1(d)(2); 7 CFR 273.7(d)(1)(ii)(A) and (E); 7 CFR 273.7(f), (f)(1)(vi), (f)(2), and (f)(4)(ii); 7 CFR 273.7(g)(1)(ii) and (iii); ~~and~~ Sections 10554 and 18904, Welfare and Institutions Code; 7 U.S.C. 2014(e) and 7 U.S.C. 2015(d)(4)(I)(i)(II), and U.S.D.A. Food and Nutrition Service Administrative Notice 94-39.

Amend Sections 63-501.3(k)(16) et seq. and .52 et seq. to read:

63-501 RESOURCE DETERMINATIONS (Continued)

63-501

.3 Exclusions from Resources

In determining the resources of a household, only the following shall be excluded: (Continued)

(k) Resources which are excluded for food stamp purposes by federal statute. The following is a listing of some of the resources excluded by federal statute: (Continued)

(16) Earned Income Tax Credit (EITC) payments received by ~~individuals~~ any household member as an advance payment or in the form of a lump sum. These payments ~~are~~ shall be excluded for ~~the~~ the 12 months, of receipt and the following month provided the household was participating in the Food Stamp Program at the time of receipt of the EITC and provided the household participates continuously during that 12-month period. (Public Law ~~101-508~~ 103-66)

~~A.~~ Continous participation includes breaks in participation of one month or less due to administrative reasons, such as delayed recertifications or missing or late CA 7s.

~~A/B.~~ If the pay stub does not indicate an EITC advance payment was received, no further action is required.

~~B/C.~~ If it is unclear from the pay stub what amount of EITC advance payment the recipient received, the CWD shall obtain clarification from the recipient and contact the employer if necessary to obtain the amount.

.5 Resource Values

The value of nonexcluded resources, except licensed vehicles as specified in Section 63-501.52, shall be their equity value. The equity value is the fair market value less encumbrances. (Continued)

.52 Handling of Licensed Vehicles. (Continued)

.521 The entire value of any licensed vehicle shall be excluded if the vehicle meets any of the following conditions: (Continued)

(h) If the household depends upon the vehicle to carry fuel for heating or water for home use, when such transported fuel or water is the primary source of fuel or water for the household.

.522 All licensed vehicles not excluded under Section 63-501.521 shall individually be evaluated for fair market value and that portion of the value which exceeds \$4,500 the current vehicle exclusion limit, as specified in Section 63-501.522(a), shall be attributed in full toward the household's resource level, regardless of any encumbrances on the vehicles. Any value in excess of \$4,500 the current vehicle exclusion limit shall be attributed to the household's resource level, regardless of the amount of the household's investment in the vehicle, and regardless of whether or not the vehicle is used to transport household members to and from employment. Each vehicle shall be appraised individually. The fair market values of two or more vehicles shall not be added together to reach a total fair market value in excess of \$4,500 the current vehicle exclusion limit.

(a) The vehicle exclusion limit for vehicles shall be:

(1) \$4,500 through August 31, 1994;

(2) \$4,550 from September 1, 1994 through September 30, 1995;

(3) \$4,600 from October 1, 1995 through September 30, 1996; and

(4) \$5,000 from October 1, 1996 through September 30, 1997.

HANDBOOK BEGINS HERE

(ab) For example, through August 31, 1994, a household owning an automobile with a fair market value of \$5,500 shall have \$4,500 excluded and \$1,000 applied toward its resource level.

HANDBOOK ENDS HERE

.523 (Continued)

.524 In the event a licensed vehicle is assigned both a fair market value in excess of \$4,500 the vehicle exclusion limit as specified in Section 63-501.522(a) and an equity value, only the greater of the two amounts shall be counted as a resource.

HANDBOOK BEGINS HERE

- (a) For example, a second car which is not used by a household member to go to work will be evaluated for both fair market value and for equity value. Based on a vehicle exclusion limit of \$4,500, if the fair market value is \$5,000 and the equity value is \$1,000 the household shall be credited with only the \$1,000 equity value, and the \$500 excess fair market value will not be counted.

.525 In summary, each licensed vehicle shall be handled as follows: First, it will be evaluated to determine if it is excluded as specified in Section 63-501.521. If not excluded, it will be evaluated to determine if its fair market value exceeds \$4,500 the current vehicle exclusion limit. If worth more than \$4,500 the current vehicle exclusion limit, the portion in excess of \$4,500 the limit for each vehicle will be counted as a resource. The vehicle also will be evaluated to see if it is exempt from equity valuation for reasons such as the household's only vehicle or necessary for employment as specified in Section 63-501.523. If not equity exempt, the equity value will be counted as a resource. If the vehicle has a countable market value of more than \$4,500 the current vehicle exclusion limit and also has a countable equity value, only the greater of the two amounts shall be counted as a resource.

HANDBOOK ENDS HERE

.526 Determining Value of Licensed Vehicles

TABLE 1

Step 1	Step 2	Step 3
Totally exclude if:	Determine Fair* Market Value (FMV)	Determine Equity Value* if Not Excluded for the Following Reasons:
1. through 6. (Continued)		
7. <u>Household depends on vehicle to carry fuel for heating or water for home use when such fuel or water is the primary source of fuel or water for the household.</u>		

IF NONE OF THE ABOVE  
GO TO STEP 2

COUNT ONLY THE EXCESS  
OVER ~~\$4500~~ THE CURRENT  
VEHICLE EXCLUSION LIMIT  
FOR EACH VEHICLE AND  
IF THE TOTAL EXCESS  
DOES NOT EXCEED THE  
HOUSEHOLD'S ~~MAXIMUM~~  
ALLOWABLE RESOURCE  
VEHICLE EXCLUSION LIMIT  
THEN GO TO STEP 3

IF THE FMV AND EQUITY  
ARE DETERMINED FOR  
ANY ONE VEHICLE, ONLY  
THE GREATER OF THE  
TWO AMOUNTS SHALL  
BE COUNTED TOWARD  
THE HOUSEHOLD'S  
RESOURCE LIMITS

\* Equity value equals FMV less encumbrances.

Authority Cited: Sections 10553, 10554, 11209 and 18904, Welfare and Institutions Code.

Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; 7 CFR 272.8(e)(17); 7 CFR 273.2(j)(4); and 7 CFR 273.8(e)(11) and (h); Public Law (P.L.) 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 101-201; P.L. 101-426, Section 6(h)(2), as specified in U.S.D.A. Food and Nutrition Service Administrative Notice 91-37; P.L. 101-508, Section 11111(b); P.L. 101-624, Section 1715; P.L. 102-237, Section 905, as specified in Federal Administrative Notice 92-12, dated January 9, 1992; Section 2466d., Title 20, United States Code (U.S.C.); 7 U.S.C. 2014(d) and (g)(2) and (3); 26 U.S.C. 32(j)(5); 42 U.S.C.A. 5122 as amended by P.L. 100-707, Section 105(i); U.S.D.A. Food and Nutrition Service Administrative Notices 91-30 and 94-39; and Index Policy Memo 90-22, dated July 12, 1990.

2. Income Exclusions. Only the following items shall be excluded from household

Income: (continued)

(b) Vendor payments. Money that is not legally obligated to be paid to the household, but which is paid to a third party for a household expense by a person or organization outside of the household. (continued)

(2) An AFDC, GA/GR, RCA or ECA payment shall be considered an excludable vendor payment and not counted as income to the household if that payment is for: (Continued)

(c) Energy assistance [as defined in Section 63-501.3(k)(7)] or a GA payment made to the household for energy or utility-cost assistance; ~~or~~

(D) Housing assistance payments made to a third party on behalf

Housing assistance payments made to a third party on behalf of a household residing in transitional housing [see Section 63-102(c)] / [ ] April 1987 \$1,000 per month  
\$1,000 per month for the home

(E) (Continued)

(i) The earned income (as defined in Section 63-502.13) of children who are members of the household, who are elementary or secondary school students at least half time, and who have not attained their 18th birthday at the beginning of the budget month. The exclusion shall continue to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the child's enrollment will resume following the break. If the child's earnings or amount of work performed cannot be differentiated from that of other household members, the total earnings shall be prorated equally among the working members and the child's pro rata share shall be excluded. Individuals are considered children for purposes of this provision if they are under the parental control, as defined in Section 63-102p.(1), or another household member.

(f) Money received in the form of a nonrecurring lump-sum payment, including, but not limited to, income tax refunds, rebates, or credits; retroactive lump-sum social security, railroad retirement benefits, or other payments; retroactive payments from the approval of an application for any assistance program; AFDC homeless assistance payments for temporary shelter or permanent housing [see Section 63-102(h)]; court ordered retroactive payments for any assistance program; supplemental or corrective payments received for a previous month from any assistance program; lump-sum insurance settlements; or

refunds of security deposits on rental property or utilities. These payments shall be counted as resources in the month received, in accordance with Section 63-501.111 unless specifically excluded from consideration as a resource by other federal laws as specified in Section 63-501.3(k) or ~~Section 63-501.3(1)~~.

Authority Cited: Sections 10553, 10554, 11209 and 18904, Welfare and Institutions Code.

Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; Public Law (P.L.) 101-201; P.L. 100-301, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 100-77; P.L. 103-66; Sections 13911, 13914, and 13915; 7 CFR 271.2; 7 CFR 273.17(a); 7 CFR 273.9; 7 CFR 273.9(b)(1); and 7 CFR 273.9(c)(1); 7 CFR 273.9(d); 7 CFR 273.11(d)(1); 7 CFR 273.21(j)(1)(vii)(A); 7 U.S.C. 2014(d), (k)(1)(B), and (k)(2)(F); 7 U.S.C. 2015(e); 20 U.S.C. 2466d.; 26 U.S.C. 32(j)(5); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) F. Supp. [Dock. No. CV-89-0768].); U.S.D.A. Food and Nutrition Service Administrative Notice 88-40, Indexed Policy Memo 88-10, dated April 20, 1988; U.S.D.A. Food and Nutrition Service Administrative Notices 91-24, 91-30, and 94-39; U.S.D.A. Food and Nutrition Service Waiver Letter WFS-100:FS-10-6-CA, dated October 2, 1990; and the July 8, 1988 district court order in Hamilton v. Lyng.

Amend Sections 63-503.13 and .47 et seq. to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS

63-503

.1 Month of Application (Continued)

- .13 A household's benefit level for a) the initial month of certification, or b) the first month for which the household is certified for participation in the Food Stamp Program following any period of more than one month during which the household was not certified for participation, shall be prorated from the date the application is received in the appropriate office. ~~/ except for migrant and seasonal farmworker households/ Migrant and seasonal farmworker H~~households which have a break in participation of one month 30 days or less shall not have their benefits prorated. They shall receive benefits for the whole month. (Continued)

.4 Households with Special Circumstances (Continued)

- .47 Residents of Drug/Alcoholic Treatment and Rehabilitation Programs (Continued)

~~.471~~ Narcotics addicts or alcoholics who regularly participate in drug or alcoholic treatment and rehabilitation programs on a resident basis may be eligible for food stamps, as specified in Section 63-402.4. These programs must provide meals to residents to qualify as eligible institutions. Residents of those programs that do not provide meals may apply as roomers, as provided in Section 63-402.21, and are not subject to the provisions of this section.

.472 A ~~Resident~~ narcotic addict and or alcoholic in a center~~s~~ providing meals, together with the resident's children staying in the center, shall have their eligibility determined as ~~a one/ person~~ an individual household. The CWD shall certify residents of addict/alcoholic treatment centers by using the same provisions that apply to all other applicant households, except that certification must be accomplished through an authorized representative, as described in Section 63-402.62.

.4723 (Continued)

.4724 (Continued)

.4725 (Continued)

.4726 (Continued)

.4727 (Continued)



.4778 (Continued)

.4789 (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code; 7 CFR 271.2; 7 CFR 272.3(c)(1)(ii); 7 CFR 273.1(b)(2)(iii); 7 CFR 273.2(j)(4); 7 CFR 273.10(a)(1)(iii)(B); 7 CFR 273.10(c)(2)(iii) and (c)(3)(ii); 7 CFR 273.11(a)(2)(i), (c), (c)(1), (c)(2)(iii), (c)(3)(ii), (d)(1), and (e)(1); 7 CFR 273.21(f)(2)(ii), (iii), (iv), and (v), (g)(3), (j)(1)(vii)(B), and (s); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) F. Supp. [Dock. No. CV-89-0768]); Waiver Letter WFS-100:FS- 10-6-CA, dated October 2, 1990, United States Department of Agriculture, Food and Nutrition Service; Administrative Notice No. 92-23, dated February 20, 1992 and No. 94-39; ~~and~~ P.L. 101-624; and 7 U.S.C. 2012 and 2017(c)(2)(B).

Amend Sections 63-504.311(e)(1) and .618(c) and (e) to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING ELIGIBILITY (Continued)

63-504

.3 Monthly Reporting (Continued)

.31 CWD Action on the CA 7

.311 Upon receiving the CA 7 the CWD shall: (Continued)

(e) Determine the household's level of benefits based on actual information reported on the CA 7 and household composition determined as of the issuance month, in accordance with Section 63-503.3. In calculating the household's benefit level, the following income and deductions shall be considered:

(1) Nonexcluded ~~earned~~ and unearned income received in the corresponding budget month, including the earned income of an elementary or secondary school student only if the student is ~~eighteen~~ 22 years of age or older at the beginning of the budget month. The CWD shall use the actual amount received by the household to compute benefits, except as provided in Section 63-503.22. (Continued)

.6 Recertification of All Households

.61 General Requirements (Continued)

.618 CWD Action on Untimely Application for Recertification (Continued)

(c) A household's benefit level shall be prorated following any period of more than one month during which the household was not certified for participation as specified in Section 63-503.13. For applications received in the month following the expiration of the certification period, benefits shall be prorated as specified in Section 63-503.13. However, eligible households who receive a notice of action informing them of the expiration of their certification period at the time of certification shall not have benefits for the first month of the new certification period prorated if they file their applications for recertification by the filing deadline specified in the notice.

(d) (Continued)

- (e) ~~Any application not submitted in a timely manner shall be treated as an application for initial certification.~~ For nonmonthly reporting households who submit applications within 30 days after the certification period expires, previously verified income or actual utility expenses need not be verified if the source has not changed and the amount has not changed by more than \$25. (Continued)

Authority Cited: Sections 10554, 11265.1, and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2; 7 CFR 273.2(j)(3) and (4); 7 CFR 273.8(b); 7 CFR 273.10(g)(1)(i) and (ii); 7 CFR 273.13(a)(2); 7 CFR 273.14(b)(3); 7 CFR 273.21(e)(1), (f)(1)(iii), (f)(1)(iv)(B), (h)(3), (h)(3)(ii), (j), (j)(1)(vi), (j)(1)(vii)(A) and (r), (j)(2)(iii) and (3)(ii); 7 CFR 274.10; P.L. 101-624; ~~and~~ Sections 10554 and 18904, Welfare and Institutions Code; 7 U.S.C. 2014(d)(7) and 2017(c)(2)(B); and U.S.D.A. Food and Nutrition Service Administrative Notice 94-39.

Amend Section 63-805.11 to read:

63-805 INTENTIONAL PROGRAM VIOLATION DISQUALIFICATION

63-805

.1 Disqualification Penalties for Intentional Program Violation

- .11 Individuals found to have committed an intentional Program violation either through an administrative disqualification hearing or by a court of appropriate jurisdiction or individuals accused of intentional Program violation who have signed a Waiver of Right to an Administrative Disqualification Hearing or a Disqualification Consent Agreement shall be ineligible to participate in the Food Stamp Program as follows: specified in Section 20-300.3.

1111 Six months for the first violation.

1112 Twelve months for the second violation.

1113 Permanently for the third violation.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code.

Amend Handbook Section 63-1101.23 to read:

63-1101 TABLES OF COUPON ISSUANCE (Continued)

63-1101

.2 Income Deductions (Continued)

- .23 Dependent Care Deduction. Effective ~~October 1, 1988~~ September 1, 1994, the maximum dependent care deduction shall be ~~\$160 per dependent~~ \$200 a month for each dependent child under two years of age and \$175 a month for each other dependent. (Continued)

# EMERGENCY

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

AGENCY

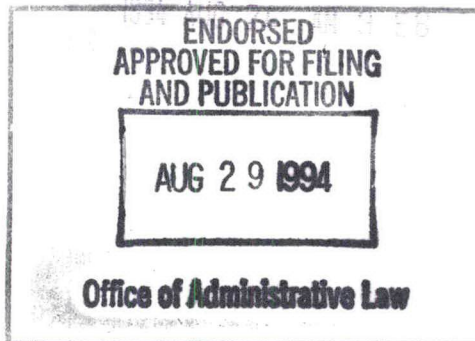
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

(See instructions on reverse)

For use by Secretary of State only

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER 94-0824-01E	AGENCY FILE NUMBER (if any) 0594-17	PREVIOUS REGULATORY ACTION NUMBER
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For use by Office of Administrative Law (OAL) only



NOTICE

REGULATIONS

**FILED**  
In the office of the Secretary of State  
of the State of California

**AUG 29 1994**

At 3:52 o'clock P.M.

By Robert A. Connick

### A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Simplification of Food Stamp Household Definition		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE	

### B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

#### 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S)	ADOPT	Section 63-028
SECTIONS AFFECTED	AMEND	Sections 63-402. 141 and .142
	REPEAL	Section 63-402.145

#### 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346) ☐ Resubmittal ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) ☒ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only ☐ Other (specify) \_\_\_\_\_

#### 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

#### 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State ☐ Effective on filing with Secretary of State ☒ Effective other (Specify) September 1, 1994

#### 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399) ☐ Fair Political Practices Commission ☐ State Fire Marshal

☐ Other (Specify) \_\_\_\_\_

#### 6. CONTACT PERSON

Frank Vitulli, Regulations Development

TELEPHONE NUMBER  
657-2586

7.

**I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.**

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

DATE

8-23-94

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

STD. 400 (REV. 2-91) ( REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Add Section 63-028 to read:

63-028   IMPLEMENTATION OF SIMPLIFICATION OF FOOD STAMP  
HOUSEHOLD DEFINITION

63-028

.1   County welfare departments shall implement the amended regulations contained in Sections 63-402.141 and 63-402.142(a)(1), (2) and (3) as follows:

.11   For all food stamp applicants, the regulations become effective on September 1, 1994. Restored benefits are to be provided back to the date of application or September 1, 1994, whichever occurred later;

.12   For continuing cases these provisions shall be implemented upon request by the household, at recertification, when the case is next reviewed, or when the county welfare department becomes aware that a review is needed, whichever occurs first.

Authority Cited:   Sections 10554 and 18904, Welfare and Institutions Code.

Reference:   Public Law (P.L.) 103-66 and Food and Nutrition Service (FNS) Administrative Notice 94-39.



Amend Section 63-402.141 to read:

63-402 HOUSEHOLD CONCEPT (Continued)

63-402

.14 Separate household status shall not be granted to:

.141 Children (other than foster children) under 18 years of age living with a member of the household who has parental control, as defined in Section 63-102(p);

.142 Parents living with their natural, adopted or stepchildren, or children living with their natural, adopted, or stepparents unless:

(a) ~~at least one parent is elderly or disabled as defined in Section 63-102(e), or~~

(b) ~~a the natural, adopted or stepchild is: a parent of a minor child(ren), for the purpose of this section, "parent of a minor child(ren)" includes an individual exercising parental control of any child under 18 years of age. The parent of the minor child(ren), together with such child(ren), shall be granted separate household status, if he/she is purchasing food and preparing meals for home consumption separately from his/her parent(s). The parent with the minor child(ren) shall be assigned a six-month certification period as specified in Section 63-504.11. The grandparents shall be considered a separate household, if otherwise eligible, even if the parent and minor child(ren) do not participate.~~

(1) 22 years of age or older and purchases food and prepares meals for home consumption separately from his/her parents; or

(2) 21 years of age or less, purchases and prepares meals for home consumption separately from his/her parents and is:

(A) married and living with his/her spouse; or

(B) a parent of a minor child(ren)--for the purpose of this subsection, "parent of a minor child(ren)" includes an individual exercising parental control of any child under 18 years of age; or

(3) ~~the children are participating in the other parent's Food Stamp household.~~

.143 through .144 (Continued)

*.143 Siblings living with their natural/ adopted/ half or step  
brothers and/or sisters/ except/*

*(a) any sibling who is elderly or disabled/ as defined in  
section 63102(e)/ or/*

*(b) any sibling who is the parent of a minor child(ren)/  
For the purpose of this section/ "parent of a minor  
child(ren)" includes an individual exercising  
parental control of any child under 18 years of age/  
The sibling who is the parent of the minor  
child(ren)/ together with such child(ren)/ shall be  
granted separate household status/ if he/she is  
purchasing food and preparing meals for home  
consumption separately from his/her sibling(s)/ The  
sibling with a minor child(ren) shall be assigned a  
six-month certification period as specified in  
section 63504.11/ The sibling(s) without a minor  
child(ren) shall be considered a separate household/  
if otherwise eligible/ even if the sibling and the  
minor child(ren) do not participate/*

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.1(a)(1) through (b)(1) through (b)(1)(ii) through (b)(1)(iii); 7 CFR 273.1(b)(2)(iii); 7 CFR 273.1(c); 7 CFR 273.1(c)(1); 7 CFR 273.1(d)(1) and (2); 7 CFR 273.1(e)(1); 7 CFR 273.1(g); 7 CFR 273.2(j)(4); 7 CFR 273.10(c)(1)(i); 7 CFR 274.5 and 7 CFR 274.10; Public Law (P.L.) 100-77, Section 802; P.L. 103-66; USDA Administrative Notice 94-39; USDA Administrative Notice 89/65/Policy Memo 89-11 and 89-12; and Sections 10554 and 18904, Welfare and Institutions Code.

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 8-94)

(See instructions on reverse)

For use by Secretary of State only

## AGENCY

California Department of Social Services

AGENCY FILE NUMBER (if any)

1293-50

OAL FILE  
NUMBERSNOTICE FILE NUMBER  
Z94-0415-01

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

94-0824-03ER

PREVIOUS REGULATORY ACTION NUMBER

94-0420-02E

For use by Office of Administrative Law (OAL) only

ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

AUG 29 1994

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State  
of the State of California

AUG 29 1994

At 3:52 o'clock P. M.  
By Roberta Cornick

## A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE California Alternative Assistance Program (CAAP)		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE ONLY <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER		PUBLICATION DATE	

## B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)	
TITLE(S) MPP	ADOPT 40-020, 89-701, 89-705, 89-710, 89-715, 89-720, 89-725, 89-730 89-735, and 89-740
SECTIONS AFFECTED	AMEND 40-131, 40-181, 44-111, 44-207, and 89-102
	REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)
 ☐ Resubmittal
 ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)
 ☒ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only
 ☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State
 ☒ Effective on filing with Secretary of State
 ☐ Effective other (Specify)

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☒ Department of Finance (Form STD. 399)
 ☐ Fair Political Practices Commission
 ☐ State Fire Marshal

☐ Other (Specify)

## 6. CONTACT PERSON

Frank Vitulli, Chief, Regulations Development

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

DATE

AUG 23 1994

## INSTRUCTIONS FOR PUBLICATION OF NOTICE AND SUBMISSION OF REGULATIONS

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

### ALL FILINGS

Enter the agency name and agency file number, if any.

### NOTICES

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

### REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

### RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

### EMERGENCY REGULATIONS

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

### NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

### CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

### EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Adopt Section 40-020 to read:

40-020 IMPLEMENTATION OF CALIFORNIA ALTERNATIVE ASSISTANCE PROGRAM (CAAP) 40-020

- .1 The adoption of Chapter 89-700 and the amendment of Sections 40-131.3, 40-181.2, 44-111.3, 44-207.322, and 89-102, which implement the California Alternative Assistance Program (CAAP) shall be effective May 1, 1994. Counties are required to meet the CAAP informing requirements at application and redetermination of eligibility for applicants and recipients subject to the California Work Pays Demonstration Project (CWPDP) beginning May 1, 1994.
- .2 Chapter 89-700, for applicants and recipients subject to the CWPDP, is adopted to implement the CAAP to comply with the provisions of Welfare and Institutions Code Section 11280 (Chapter 69, Statutes of 1993).
- .3 Section 40-131 is amended to require that AFDC applicants be informed about CAAP at the time of AFDC application.
- .4 Section 40-181 is amended to require that AFDC recipients be informed about CAAP at the time of AFDC redetermination.
- .5 Section 44-111 is amended to exempt CAAP payments from consideration as income for AFDC.
- .6 Section 44-207 is amended to require that an individual be considered to have received an AFDC payment when the assistance unit (AU) has received benefits under the CAAP.
- .7 Section 89-102 is amended to require that CAAP be included in the CWPDP provisions of Section 89-700 et seq. The county shall apply these provisions to those applicants and recipients who are designated as members of the Project's control and experimental groups.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11280, Welfare and Institutions Code; and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

Amend Section 40-131.3 to read:

40-131 INTERVIEW REQUIREMENT (Continued)

40-131

.3 Content of Application Interview

HANDBOOK BEGINS HERE

- v. See Section 89-730 for the additional informing requirements for applicants subject to the California Work Pays Demonstration Project as specified in Division 89.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553, 10554, 10604, and 18904, Welfare and Institutions Code.

Reference: Section 10613, 11209, 11280, 11324.8(a), AB 312, Chapter 1568, Statutes of 1990, 11500(b), and 11511(a), Welfare and Institutions Code; 7 USC 2020(i), 7 CFR 273.2(j), 42 USC 616(f), 682(c)(2), (3) and (4), 45 CFR 250.20, 45 CFR 250.40(a) and (b); 45 CFR 255.1; 45 CFR 256.1(b).

Amend Section 40-181.2 to read:

40-181 CONTINUING ACTIVITIES AND DETERMINATION OF ELIGIBILITY (Continued) 40-181

.2 Periodic Determination of Eligibility

HANDBOOK BEGINS HERE

See Section 89-730 for the additional informing requirement at eligibility redetermination for recipients subject to the California Work Pays Demonstration Project as specified in Division 89.

HANDBOOK ENDS HERE

Authority Cited: Sections 10553, 10554, 10604, 11265.1, and 18904, Welfare and Institutions Code.

Reference: 45 U.S.C. 616(b) and (f); 45 CFR 233.28 and 235.112(b); and Sections 10553, 10554, 10604, 11280, and 11486, Welfare and Institutions Code.

Amend Section 44-111.3 to read:

44-111 PAYMENTS EXCLUDED OR EXEMPT FROM CONSIDERATION AS INCOME  
(Continued)

44-111

.3 Exemption of Payments from Public Sources (Continued)

- h. Payments made for child care costs under the California Alternative Assistance Program are exempt from consideration as income.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11008.15, ~~and~~ 11255, and 11280, Welfare and Institutions Code; 42 USC Section 602(g)(1)(E)(i); Section 202(a), Public Law 100-485; 45 CFR 244.0(c); 45 CFR 233.20(a)(4)(ii); 45 CFR 233.20(a)(11)(v)(C); 45 CFR 255.3(f)(1); ~~and~~ Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.



Amend Section 44-207.322 et seq. to read:

44-207 INCOME ELIGIBILITY (Continued)

44-207

.3 Financial Eligibility (Continued)

.32 Net Nonexempt Income (Continued)

- .322 For purposes of determining financial eligibility, the earned income exemption (\$30 and 1/3) shall be applied subject to the limitations of Section 44-111.23\* and only if the person who earned the income was eligible for and received an AFDC payment from any state during at least one of the immediately preceding four months and is currently included in the ~~FYU~~ AU.

HANDBOOK BEGINS HERE

\*See Section 89-301.1 for elimination of the 4-month time limit for the \$30 and 1/3 earned income disregards and elimination of the additional 8-month limit for the \$30 earned income disregard. This will apply to those recipients who are subject to the Assistance Payments Demonstration Project as specified in Division 89.

HANDBOOK ENDS HERE

- (a) A person is considered to have received an AFDC payment when:
1. The grant for the ~~FYU~~ AU is reduced to zero to adjust or offset a prior overpayment/; or
  2. The AU has received benefits under the California Alternative Assistance Program as specified in Chapter 89-700.

Authority Cited: Sections 10553, 10554, 11450, and 11453, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11017, ~~and~~ 11255, and 11280, Welfare and Institutions Code; 45 CFR 233.20(a)(2)(xiii) and (3)(vi)(B) and (xiv); and Darces v. Woods, 35 Cal. 3d 871; Rutan v. McMahon, Case No. 612542-L (Alameda Superior Court) February 19, 1988; Letter from Department of Health and Human Services (DHSS), December 5, 1990; Johnson v. Carlson Stipulated Judgement; ~~and~~ Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

Amend Section 89-102 to read:

89-102 FEDERAL DEMONSTRATION PROJECTS - INTRODUCTION

89-102

HANDBOOK BEGINS HERE

- .1 Background Pursuant to state law, the California Department of Social Services has requested and received federal approval for two California Demonstration Projects entitled the Assistance Payments Demonstration Project and the California Work Pays Demonstration Project. These Projects enable California, in accordance with their federally mandated Terms and Conditions, to implement certain new AFDC provisions.

The Assistance Payments Demonstration Project provisions are contained in Division 89. They include work incentive provisions, MAP reductions and a relocation grant restriction. The California Work Pays Demonstration Project provisions contained in Division 89 include increased property limits, ~~and~~ restricted accounts/, and the California Alternative Assistance Program. (For "Cal Learn" see Division 42.)

HANDBOOK ENDS HERE

- .2 Control Group Except for the provisions found in Chapter 89-700, related to the California Alternative Assistance Program, the county shall not apply the Division 89 Assistance Payments Demonstration Project and the California Work Pays Demonstration Project provisions to those applicants and recipients who are designated as members of the Projects' control groups. CAAP applies to both the experimental and control groups in all APDP/CWPDP counties. The designation and treatment of the control groups shall be accomplished pursuant to the Projects' mandated parameters outlined in the Federal Terms and Conditions as approved by the Secretary of the Department of Health and Human Services.

Authority Cited: Sections 10553, 10554, 11201.5, 11209, and 11450(g), Welfare and Institutions Code.

Reference: Sections 11155.1, 11155.2, 11201.5, 11450.01, ~~and~~ 11450.03, and 11280, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B); Federal Terms and Conditions for the Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; and Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

Adopt Chapter 89-700 and Section 89-701 to read:

89-700 CALIFORNIA ALTERNATIVE ASSISTANCE PROGRAM (CAAP)

89-701 THE CALIFORNIA ALTERNATIVE ASSISTANCE PROGRAM (CAAP)

89-701

HANDBOOK BEGINS HERE

- .1 The California Alternative Assistance Program (CAAP) is mandated by Welfare and Institutions Code Section 11280 (Chapter 69, Statutes of 1993). It provides funding for child care to applicants eligible for or recipients of aid with earned income who voluntarily decline or refuse an AFDC grant. The objective of the CAAP is to provide an incentive to AFDC families with children to seek and/or maintain employment by removing the barrier of high child care costs. In assisting these families with their child care costs, it is hoped that employment will be obtained and maintained which will result in self-sufficiency from the welfare system.

HANDBOOK ENDS HERE

- .2 A CAAP participant is:

.21 Considered an AFDC recipient.

.22 Subject to all requirements of the AFDC program.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11280, Welfare and Institutions Code; and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.

Adopt Section 89-705 to read:

89-705 DEFINITIONS

89-705

.1 The following definitions pertain only to Chapter 89-700.

- (a) (1) "AU" means the AFDC assistance unit which consists of a group of related persons living in the same home who have been determined eligible for AFDC.
- (b) (1) "Budget Month" means the month preceding the report month and is used to determine the amount of the CAAP payment.
- (c) (1) "CAAP Participant" means an AFDC eligible person who has signed a CAAP agreement.
- (d) (1) "Date of Receipt" means the date that a document is received by the county, either through the mail or delivered in person.
- (e) (1) "Exempt from Licensing" means a child care provider who is not required to obtain a family day care license.

HANDBOOK BEGINS HERE

(A) Examples of when a day care license is not required pursuant to California Code of Regulations, Title 22, Section 101158, include:

- 1. The nonrelative child care provider cares for the children of only one family in addition to his/her own children;
- 2. The child care provider is related to the children for whom care is given;
- 3. The child care provider is a public or private school or recreation program; or
- 4. The child care is provided by a public or private school which operates a program before and/or after school for school-age children, providing the program offered by the school is operated by the school and run by qualified teachers employed by the school or the school district.

HANDBOOK ENDS HERE

- (f) (1) "Full-Time Child Care" means child care provided by a child care provider for more than 147 hours per calendar month.
- (g) through (o) Reserved

- (p)    (1)    "Part-Time Child Care" means child care provided by a child care provider for 147 hours or less per calendar month.
- (2)    "Payment Month" means the month following the report month.
- (q)            Reserved
- (r)    (1)    "Rate Ceiling" means the 75th percentile of the regional market rate or the 100th percentile of the regional market rate when the region has no more than two providers serving that age and category of care.
- (2)    "Regional Market Rate" means the costs of child care in each county differentiated by age of child, type of care, and whether the care is provided full- or part-time as established in the Regional Market Rate Ceilings for California Child Care Providers.
- (3)    "Report Month" means the month in which a CAAP participant is required to submit the monthly eligibility report which contains information from the previous month, also known as the budget month.
- (s) through (z)    Reserved

Authority Cited:    Sections 10553 and 10554, Welfare and Institutions Code.

Reference:            Sections 10553, 10554, and 11280, Welfare and Institutions Code.

Adopt Section 89-710 to read:

89-710 PROGRAM ELIGIBILITY

89-710

- .1 An AU shall be eligible to participate in CAAP if otherwise eligible for AFDC and all of the following conditions are met:
  - .11 A member of the AFDC AU is working and requires child care to remain employed.
  - .12 The CAAP participant signs a statement stating that it is clearly understood that to receive CAAP he/she must decline a cash grant.
  - .13 The child care costs are paid for a child who meets the following conditions:
    - .131 The child:
      - (a) Is in the AU; or
      - (b) Would be AFDC-FG/U eligible but for the receipt of federal foster care or Supplemental Security Income/State Supplementary Payment (SSI/SSP).
    - .132 The child is:
      - (a) Under the age of 13; or
      - (b) Over age 13 and is physically or mentally incapable of caring for himself/herself based on a written statement of a physician or a licensed or certified psychologist, and meets the age requirements under the AFDC program, as specified in Section 42-101; or
      - (c) Over age 13 and under court supervision as specified in Welfare and Institutions Code Sections 601 and 602 and meets the age requirements under the AFDC program, as specified in Section 42-101.
  - .14 The child care provider meets all the following conditions:
    - .141 Is 18 years old or older.
    - .142 Is not a parent or legal guardian of the child.
    - .143 Is not a member of the AU.
    - .144 Has a day care license or is exempt from licensing.

.15 The AU has provided the necessary information to determine CAAP eligibility and the CAAP payment, as specified in Section 89-725.1.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11265.1, 11280(b), and 11320.3(j)(5), Welfare and Institutions Code; 45 CFR 255.2(a) and (a)(1); 45 CFR 255.4(c)(2) and (f)(2); and 45 CFR 255.5(a).

Adopt Section 89-715 to read:

89-715 PAYMENT ELIGIBILITY

89-715

- .1 CAAP payments shall be used to pay for child care costs at the actual cost of care up to the federal maximum reimbursement rate (75th percentile) based on the monthly Regional Market Rate (RMR) ceilings.

HANDBOOK BEGINS HERE

- .11 The RMR ceilings are determined based on a statistically valid survey of the rates established by child care providers for private clients in accordance with Welfare and Institutions Code Section 11508(b).

- .111 The rate ceilings are determined based on:

- (a) The age of the child,
- (b) The type of care provided,
- (c) The number of hours of care, either full-time or part-time as defined in Section 89-705, and
- (d) The care provider's geographic location in California.

HANDBOOK ENDS HERE

- .2 The county shall only issue a CAAP payment when the child care hours claimed are for the following:

- .21 Work hours.

- .22 Transportation time between the worksite and the child care provider.

- .23 When necessary, hours based on the provider's standard billing practice.

HANDBOOK BEGINS HERE

- .24 Examples of eligible hours.

- .241 Example: A provider charges all families based on an hourly rate. The parent works from 4 p.m. to 12 a.m. The provider charges for nine hours of child care, because the parent leaves the child in care a half hour before starting work and a half hour after ending the work shift. The county would compare the hours worked including transportation time to the hours of care. A request for payment for nine hours of care would meet the payment eligibility requirements under this section.



.242 Example: A day care provider charges all families based on a weekly rate. The provider charges for any days the CAAP child is absent, regardless of the reason (i.e., holidays, sick days and vacation). Since this is the provider's billing practice for nonsubsidized families, a request for payment which includes these days would meet the payment eligibility requirements under this section.

HANDBOOK ENDS HERE

- .3 The county shall not approve a CAAP payment to a new child care provider if a payment was made for the same period of time to the prior-authorized provider unless care by the prior-authorized provider cannot be provided or the provision of care places the child at risk of harm.
- .4 When the beginning date of CAAP eligibility is after the first of the month, the CAAP payment as defined in Section 89-720.1 shall be prorated from the beginning date of aid in accordance with procedures specified in Section 44-315.7.

HANDBOOK BEGINS HERE

.41 Example: The CAAP participant became eligible for AFDC on the 17th of the month. The submitted child care receipt shows child care costs of \$150 for the whole month. The Reciprocal Table in Section 44-315.73 shows a figure of .4839 for the 17th day of a 31-day month. The total monthly CAAP payment amount x the reciprocal = the prorated CAAP amount (\$150 x .4839 = \$72.585). The \$72.585 is rounded down to \$72 which is the amount of the CAAP payment.

HANDBOOK ENDS HERE

- .5 The county shall not pay aid paid pending the state hearing decision for CAAP.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11280 and 11508(b), Welfare and Institutions Code; 45 CFR 255.1, (c), and (e)(4); 45 CFR 255.2, (a), (a)(1), and (h)(2); and 45 CFR 255.4(a), (a)(2)(ii), (c)(2), and (i)(1).

Adopt Section 89-720 to read:

89-720 CHILD CARE PAYMENT COMPUTATION

89-720

- .1 The county shall pay the lesser of the actual child care costs paid or the applicable monthly 75th percentile rate ceiling.

HANDBOOK BEGINS HERE

- .11 Example: Child care costs are within the RMR.

An employed mother has two children, ages 5 and 1, in a child care center in Alameda County. The mother works 120 hours per month and child care is for 130 hours per month per child, which includes transportation time to and from work. The child care provider charges a weekly rate of \$75 for the 5-year-old and \$95 for the 1-year-old. The total child care cost the child care provider charges for the month is \$735, \$324 for the 5-year-old and \$411 for the 1-year-old.

CAAP COMPUTATION:

<u>(1) 5-year-old child:</u>	
<u>75th percentile mo. rate</u>	<u>\$328</u>
<u>Actual child care costs/mo.</u>	<u>\$324</u>

<u>(2) 1-year-old child:</u>	
<u>75th percentile mo. rate</u>	<u>\$442</u>
<u>Actual child care costs/mo.</u>	<u>\$411</u>

<u>CAAP Payment for 5-year-old child:</u>	<u>\$324</u>	
<u>CAAP Payment for 1-year-old child:</u>	<u>+ \$411</u>	
<u>TOTAL CAAP PAYMENT:</u>		<u>\$735</u>

- .12 Example: Child care costs exceed the RMR.

The AU of four includes a working father, an incapacitated mother on SSI, and two children ages 6 and 8. The father is employed 160 hours per month and child care is for 180 hours per month per child, which includes transportation time to and from work. The children are placed in a family day care home in Colusa County, where the monthly child care cost is \$365 per child.

CAAP COMPUTATION:

<u>(1) 6-year-old child:</u>	
<u>75th percentile</u>	<u>\$324.75</u>
<u>Actual child care costs</u>	<u>\$365.00</u>

<u>(2) 8-year-old child:</u>	
<u>75th percentile</u>	<u>\$324.75</u>
<u>Actual child care costs</u>	<u>\$365.00</u>

<u>CAAP Payment for 6-year-old child:</u>	<u>\$324.75</u>
<u>CAAP Payment for 8-year-old child:</u>	<u>+ \$324.75</u>
<u>TOTAL CAAP PAYMENT:</u>	<u>\$649.00</u>
	<u>(rounded down)</u>

HANDBOOK ENDS HERE

.2 Counties shall round payments to the nearest lower whole dollar.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11280 and 11508(b), Welfare and Institutions Code; 45 CFR 255.4(a) and (a)(2)(iii); and the Preamble (Federal Register Volume 54, No. 197, page 42233).

Adopt Section 89-725 to read:

89-725 CAAP PARTICIPANT'S RESPONSIBILITIES

89-725

- .1 The CAAP participant shall provide the following information to determine CAAP program and payment eligibility along with the monthly eligibility report in accordance with the time frames specified in Section 40-181.22.
  - .11 Verification of employment and the number of hours of employment;
  - .12 The name and birthdate of each child for whom care is to be provided;
  - .13 Total child care hours provided during the month including the scheduled hours of care;
  - .14 Total child care costs for the month;
  - .15 The care provider's name and address;
  - .16 Whether the provider is a licensed day care center, licensed family day care home, or an exempt day care provider; and
    - .161 The social security number (SSN) of an exempt provider, or
    - .162 The tax ID number for a licensed provider.
  - .17 A certification from the exempt day care provider that he/she is:
    - .171 At least 18 years of age;
    - .172 Whether he/she is a relative of the CAAP participant;
    - .173 When not related, that he/she provided the CAAP participant the name, address and telephone numbers of two character references;
    - .174 A statement as to his/her:
      - (a) Health,
      - (b) Education or experience; and
      - (c) Criminal record; and
    - .175 Names and ages of other persons in the home providing care.
  - .18 A declaration, signed under penalty of perjury, by the child care provider that the information submitted under Sections 89-725.13 through .17 is true and correct to the best of his/her knowledge.
  - .19 A declaration, signed under penalty of perjury, by the CAAP participant that the information submitted under Sections 89-725.11 through .15 is true and correct to the best of his/her knowledge.

.2 The CAAP participant must notify the county of:

.21 Any changes in child care arrangements.

.22 Any changes in work status.

.3 The CAAP participant must indicate to the county if he/she no longer chooses to participate in CAAP and now chooses to return to AFDC grant status.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11280, Welfare and Institutions Code; 45 CFR 255.1(e) and (e)(1); 45 CFR 255.2, (a), and (a)(1); and 45 CFR 255.4(c)(2).

Adopt Section 89-730 to read:

89-730 COUNTY RESPONSIBILITIES

89-730

.1 Informing and Participation

.11 The county shall inform AFDC/CAAP applicants and recipients in writing about the availability of the CAAP program at the following intervals:

.111 At the time of application as specified in Section 40-131.3.

.112 At the time of redetermination as specified in Section 40-181.2.

.12 The AFDC eligible person shall only be permitted to choose to participate in CAAP at the intervals specified in Sections 89-730.11.

.2 Signed CAAP Agreement

.21 Within 30 days of the completion of the eligibility determinations made at the intervals specified in Section 89-730.11, the county shall obtain a signed statement from the individual choosing CAAP which shall contain the following information:

.211 The choice for CAAP means refusing an AFDC grant in order to receive child care assistance.

.212 The failure to provide the monthly eligibility report and child care information to the county in a timely manner may result in delay of issuance or discontinuance of CAAP payments.

.213 The CAAP participant has the right to request a state hearing regarding CAAP benefits, but aid paid pending the state hearing decision is not available.

.214 The CAAP participant's rights will be waived for any other AFDC assistance programs such as the Reduced Income Supplemental Payments (RISP), Homeless Assistance, and/or special needs.

.3 General

.31 The county shall determine a CAAP participant's AFDC eligibility on a monthly basis by utilizing all AFDC eligibility criteria pursuant to Sections 44-207.2 and .3.

.32 The county shall issue the CAAP payment to eligible CAAP participants in accordance with the standard delivery dates of aid payments in Sections 44-304.5 or 44-305.2.

.33 The county shall discontinue CAAP eligibility on the last day of the month in the following situations:

.331 When the CAAP participant did not meet the eligibility criteria specified in Sections 89-710 (Program Eligibility) and 89-715 (Payment Eligibility).

.332 When the required information is not submitted by the first day of the payment month.

.34 The county shall rescind the discontinuance of the CAAP payment and restore the CAAP payment if the CAAP participant meets the good cause criteria, specified in Section 40-181.233, and meets the reporting requirements as specified in Section 40-181.222.

.35 In addition to the AFDC case documentation, the county shall include the following in the CAAP participant's file:

.351 The information reported by the CAAP participant in Sections 89-725.1, .2, and .3; and

.352 All notices of action (NOAs) sent to the CAAP participant; and

.353 Documentation of the need for child care for a child age 13 or over. (See Section 89-710.132(b) or (c).)

.36 Counties shall verify the child care provider's SSN with the Social Security Administration according to provisions in Manual of Policies and Procedures Division 20.

.361 Counties shall deny the CAAP payment when the SSN is determined not to be authentic.

.37 Counties shall compare the child care provider's SSN with the Medi-Cal Eligibility Data System (MEDS) to determine whether the provider is on aid and is reporting the earned income in accordance with Section 40-181.241(e).

#### .4 Prospective and Retrospective Payments

##### .41 Prospective Payment Procedures

.411 The county shall prospectively budget the CAAP payment when the applicant or recipient is subject to prospective budgeting pursuant to Section 44-313.1.

.412 The county shall make a reasonable estimate of the child care costs using the procedures for calculating a payment specified in Section 89-720.1.

##### .42 Retrospective Payment Procedures

.421 AFDC recipients who choose CAAP shall continue in retrospective budgeting pursuant to Section 44-313.2.

HANDBOOK BEGINS HERE

(a) Example:

<u>May</u>	<u>June</u>	<u>July</u>
<u>AFDC Recipient indicates choice on monthly eligibility report.</u>	<u>AFDC Recipient signs CAAP agreement and continues to receive the AFDC grant based on costs reported on the April monthly eligibility report.</u>	<u>CAAP participant receives CAAP payment based on costs reported on the May monthly eligibility report.</u>

HANDBOOK ENDS HERE

.422 CAAP participants who choose to return to AFDC grant status shall continue in retrospective budgeting.

HANDBOOK BEGINS HERE

(a) Example:

<u>July</u>	<u>August</u>	<u>September</u>
<u>CAAP participant reports income. He/she decides to no longer participate in CAAP.</u>	<u>County receives the July monthly eligibility report on which the CAAP participant indicated his/her decision. The CAAP agreement is rescinded and a final CAAP payment is issued.</u>	<u>Former CAAP participant receives the AFDC check based on his/her July income.</u>

HANDBOOK ENDS HERE

.5 CAAP Notice Requirements

.51 The county shall notice CAAP participants in accordance with the definitions of timely and adequate notice requirements, as specified in Manual of Policies and Procedures Section 22-001, for the following:

.511 Initial approval of CAAP eligibility and amount of payment.

.512 Denial or discontinuance of a CAAP payment.



.513 Change in the rate ceiling described in Handbook Section 89-715.11.

.514 CAAP overpayment/underpayment adjustments, as specified in Section 89-735.

.515 Return to AFDC grant status.

.516 Nonreceipt of the monthly child care eligibility report or an incomplete monthly child care eligibility report.

.52 The county shall follow the contact procedures for late and incomplete monthly eligibility reports as specified in Section 40-181.221.

.6 Inter-County Transfers

.61 The inter-county transfers shall occur in the same manner for a CAAP participant as for an AFDC recipient. A new CAAP agreement shall be signed in the new county and provide all pertinent provider information.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11280(b) and (c), Welfare and Institutions Code; 45 CFR 233.22, .24, .25, .29(b) and (c), .34(b) and (c)(3), .35, and .36; 45 CFR 255.1(c), (e), and (e)(4); 45 CFR 255.2(a), (g)(1), (g)(2), (h), (h)(1), and (h)(2); 45 CFR 255.3(b), (c), and (h); and 45 CFR 255.4(a) and (a)(2)(iii), (c)(2), (f)(2), and (h).

Adopt Section 89-735 to read:

89-735 UNDERPAYMENTS AND OVERPAYMENTS

89-735

.1 General Criteria

.11 Underpayments occur when a CAAP payment made to the CAAP participant is less than what he/she is entitled to receive.

.111 Action to correct underpayments shall be taken within 30 calendar days from the date the county determines that an underpayment exists.

.12 Overpayments occur when a CAAP payment to the CAAP participant exceeds what he/she is entitled to receive.

.13 The county shall take all reasonable steps necessary to promptly collect any overpayment that is known to the county.

.131 The county shall refer cases of suspected fraud to the county Special Investigative Unit (SIU) under Manual of Policies and Procedures Section 20-005.

.132 The county shall attempt recovery efforts in all cases of current and former CAAP participants.

.14 The county shall recover CAAP overpayments from any person who was a member of the AU at the time the AU was overpaid.

.2 Recovery of Overpayments

.21 When the county determines that an overpayment exists, the county shall calculate the amount of the overpayment and determine the appropriate method of recovery.

.211 Recovery methods may be used concurrently.

.212 The county shall take steps to initiate the recovery promptly by notifying the individual in writing that he/she has an overpayment and how recovery will occur as specified in Sections 89-735.22 and .23.

.22 Overpayment Recovery from Current CAAP Participants

.221 Balancing

(a) When an individual has both an overpayment and an underpayment, the county may offset one against the other.

.222 CAAP Payment Adjustment

(a) The overpayment is to be adjusted from the current CAAP payment subject to Section 89-735.222(b).

(1) When the current CAAP payment amount is not enough to recover the entire overpayment, the remaining amount of the overpayment shall be applied to succeeding month(s) and the adjustment process shall be repeated.

(b) Recovery from the current CAAP payment(s) shall be ten percent of the total payment or \$21, whichever is greater, but the recovery shall not exceed the current CAAP payment.

.223 Voluntary Cash Recovery

(a) The county shall accept any voluntary cash payment from an individual to pay any portion of an existing overpayment.

.23 Overpayment Recovery from Former CAAP Participants Who Presently Receive an AFDC Grant and from Former CAAP Participants No Longer Receiving AFDC/CAAP

.231 The county shall demand in writing, the repayment of any outstanding overpayment amount from any individual who is no longer eligible to receive CAAP payments or AFDC.

.232 A former CAAP participant receiving an AFDC grant shall be permitted to have CAAP overpayments adjusted from his/her grant when:

(a) The CAAP participant and the county voluntarily agree with the amount of the AFDC grant adjustment.

(b) The individual signs a written agreement with the county.

.233 Once the demand letter for repayment has been sent, the county shall continue recovery efforts of CAAP overpayments in:

(a) All cases of fraud;

(b) All cases of current CAAP participants; or

(c) All cases of former CAAP participants when the overpayment amount would equal or exceed the cost of recovery.

.234 The county shall recoup CAAP overpayments from families receiving:

(a) TCC payments by following TCC overpayment collection procedures specified in Section 47-190.

(b) SCC payments by following SCC overpayment collection procedures specified in Section 44-508.

.3 Overpayment Record Maintenance

- .31 The county shall maintain a record of the overpayment including all notices and agreements, the repayment dates and amounts recovered.
- .32 Once collection of the overpayment is completed, the overpayment records shall be retained in accordance with requirements for records retention of public assistance cases, as specified in Manual of Policies and Procedures Section 23-353.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11280, Welfare and Institutions Code; 45 CFR 233.20(a)(13)(i); 45 CFR 255.4(j)(1), (4), (5), (6), (7), and (8); and the Preamble (Federal Register Volume 54, No. 197, page 42234).

Adopt Section 89-740 to read:

89-740 DATA COLLECTION

89-740

.1 The county shall collect and report data as required by CDSS.

.11 Information shall include, but is not limited to, the following:

.111 Total number of AFDC families receiving CAAP payments each month, including the

(a) Number of CAAP-FG families receiving CAAP payments each month, and

(b) Number of CAAP-U families receiving CAAP payments each month.

.112 Total number of children receiving CAAP payments each month by the type of child care (i.e., licensed or exempt, relative or non-relative, inside or outside child's home, family day care, or center care);

(a) Number of CAAP-FG children receiving CAAP payments each month by the type of care, and

(b) Number of CAAP-U children receiving CAAP payments each month by the type of care.

.113 Expenditures for children receiving CAAP payments each month by the type of child care (i.e., licensed or exempt, relative or non-relative, inside or outside child's home, family day care, or center care);

(a) Amount of expenditures for CAAP-FG children each month by type of care, and

(b) Amount of expenditures for CAAP-U children each month by type of care.

.114 Number of months that each family has received child care services.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11280, Welfare and Institutions Code and Federal Action Transmittal JOBS-ACF-AT-92-1.

**EMERGENCY**  
NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

(See instructions on  
reverse)*Original*  
For use by Secretary of State only

AGENCY

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

AGENCY FILE NUMBER (if any)

0694-20

OAL FILE  
NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

94-0823-05E

For use by Office of Administrative Law (OAL) only

AUG 31 1994  
ENDORSED  
APPROVED FOR FILING  
AND PUBLICATION

AUG 31 1994

Office of Administrative Law

by

Deputy Secretary of State

FILED

In the office of the Secretary of State  
of the State of California

AUG 31 1994

At 3:41 o'clock P. M.

**A. PUBLICATION OF NOTICE** (Complete for publication in Notice Register)

1. TOPIC OF NOTICE AFDC - Income/Resource Exclusion for Individual Indians		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE

**B. SUBMISSION OF REGULATIONS** (Complete when submitting regulations)

## 1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S)	ADOPT
MPP	
SECTIONS AFFECTED	AMEND Sections 42-213.512 and 44-111.61 REPEAL

## 2. TYPE OF FILING

☐ Regular Rulemaking (Gov. Code, § 11346)
 ☐ Resubmittal
 ☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)
 ☒ Emergency (Gov. Code, § 11346.1(b))

☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

☐ Print Only
 ☐ Other (specify)

## 3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

## 4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

☐ Effective 30th day after filing with Secretary of State
 ☐ Effective on filing with Secretary of State
 ☒ Effective other (Specify) September 1, 1994

## 5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

☐ Department of Finance (Form STD. 399)
 ☐ Fair Political Practices Commission
 ☐ State Fire Marshal

☐ Other (Specify)

## 6. CONTACT PERSON

Frank Vitulli, Regulations Development

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE



TYPED NAME AND TITLE OF SIGNATORY

DATE

8/23/94

## NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

INSTRUCTIONS FOR PUBLICATION OF NOTICE  
AND SUBMISSION OF REGULATIONS

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

**ALL FILINGS**

Enter the agency name and agency file number, if any.

**NOTICES**

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

**REGULATIONS**

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

**EMERGENCY REGULATIONS**

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

**NOTICE FOLLOWING EMERGENCY ACTION**

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

**CERTIFICATE OF COMPLIANCE**

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

**EMERGENCY REGULATIONS - READOPTION**

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

## PUBLIC NOTICE

September 21, 1994 Public Hearing

## ITEM #2

AFDC Income/Resource Exclusion for Individual Indians

## CHAPTERS

Manual of Policies and Procedures, Division 42 (Nonlinking Factors of Public Assistance Eligibility), Chapter 42-200 (Property), Section 42-213 (Property Items To Be Excluded In Evaluating Property Which May Be Retained); Division 44 (Standards of Assistance), Chapter 44-100 (Income), Section 44-111 (Payments Excluded Or Exempt From Consideration As Income).

## INFORMATIVE DIGEST

Current regulations at MPP 42-213 and 44-111 only provide for the exclusion of tribal judgement funds held in trust or distributed per capita by the Secretary of the Interior. Public Law (PL) 97-458, enacted January 12, 1983, made several amendments to PL 93-134, enacted October 19, 1973, relating to the use or distribution of certain Indian judgement funds. One amendment was the addition of a new Section 8 to PL 93-134. Section 8 of PL 93-134 requires that interests of individual Indians in trust or restricted lands shall not be considered a resource in determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program.

Section 7 of PL 93-134 specified that in order for trust funds to be subject to the exclusion provisions, the funds must have been awarded in judgement to Indian Tribes as a result of successful claims against the United States. Section 2 of PL 98-64, enacted August 2, 1983 removed the requirement that such trust funds must derive from a judgement.

Section 13736 of PL 103-66, the Omnibus Budget Reconciliation Act of 1993, further amended Section 8 of PL 93-134 by adding an income exclusion. Specifically, the amendment requires that up to \$2,000 per year of income derived from such interests and received by individual Indians will not be considered in determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program.

The proposed amendments implement and make specific the requirements of the federal law.

## COST ESTIMATE

1. Costs or Savings to State Agencies: No additional costs or savings.
2. Costs to Local Agencies or School Districts: None.
3. Nondiscretionary Costs or Savings to Local Agencies: No additional costs or savings.
4. Federal Funding to State Agencies: None.



#### LOCAL MANDATE STATEMENT

These regulations do impose a mandate upon local agencies, but not on school districts. There are no state-mandated local costs in these regulations which require state reimbursement under Sections 17500 et seq. of the Government Code because any costs associated with the implementation of these regulations are costs mandated by the federal government within the meaning of Section 17513 of the Government Code.

#### STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES AND OF ALTERNATIVES CONSIDERED

CDSS has determined that there will be no adverse impact on businesses, private persons, other businesses or public agencies, including the ability of California businesses to compete with businesses in other states, because these regulations do not impact private persons or businesses.

CDSS must determine that no alternative considered would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected persons than the proposed action.

#### SMALL BUSINESS IMPACT STATEMENT

CDSS has determined that the proposed regulations will have no adverse impact on small businesses because these regulations do not affect small businesses.

#### ASSESSMENT OF JOB CREATION OR ELIMINATION

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

#### AUTHORITY AND REFERENCE CITATIONS

CDSS adopts and amends these regulations pursuant to Sections 10553 and 10554 of the Welfare and Institutions Code. These regulations implement, interpret and make specific Section 8 of Public Law 93-134, Public Law 97-458, Section 2 of Public Law 98-64 and Section 13736 of Public Law 103-66, and implements requirements of federal action transmittals 91-23 and 93-14.

#### EMERGENCY STATEMENT

These regulations are to be adopted on an emergency basis. In order to allow interested persons an opportunity to submit statements or arguments concerning these regulations, they will be considered at public hearing in accordance with Government Code Section 11346.4.

## FINDING OF EMERGENCY

These regulations are being implemented on an emergency basis for the immediate preservation of the public peace, health and safety, or general welfare, within the meaning of Government Code Section 11346.1.

## DESCRIPTION OF SPECIFIC FACTS WHICH CONSTITUTE THE EMERGENCY

1. Current Aid to Families with Dependent Children (AFDC) regulations at MPP 42-213 and 44-111 provide for the exclusion of tribal judgement funds, held in trust or distributed per capita by the Secretary of the Interior.
2. Public Law (PL) 93-134, which was adopted October 19, 1973, is an Act which provides for the use or distribution of funds appropriated in satisfaction of certain judgements of the Indian Claims Commission and Court of Claims.
3. PL 103-66 amended Section 8 of PL 93-134. Beginning January 1, 1994, up to \$2,000 per year of income received by individual Indians which are derived from leases or other uses of individually owned trust or restricted lands shall not be counted as income in determining eligibility for AFDC.
4. A delayed implementation date for this income exclusion caused by the time needed for the regular regulation adoption process would result in unnecessary denial of benefits to which AFDC applicants and recipients would otherwise be entitled under federal law.
5. Additionally, a delay in implementation would subject the Department to lawsuits that could require the issuance of retroactive benefits since the AFDC applicants and recipients are clearly eligible to this benefit under federal law.

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Current regulations at MPP 42-213 and 44-111 only provide for the exclusion of tribal judgement funds held in trust or distributed per capita by the Secretary of the Interior. Public Law (PL) 97-458, enacted January 12, 1983, made several amendments to PL 93-134, enacted October 19, 1973, relating to the use or distribution of certain Indian judgement funds. One amendment was the addition of a new Section 8 to PL 93-134. Section 8 of PL 93-134 requires that interests of individual Indians in trust or restricted lands shall not be considered a resource in determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program.

Section 7 of PL 93-134 specified that in order for trust funds to be subject to the exclusion provisions, the funds must have been awarded in judgement to Indian Tribes as a result of successful claims against the United States. Section 2 of PL 98-64, enacted August 2, 1983 removed the requirement that such trust funds must derive from a judgement.

Section 13736 of PL 103-66, the Omnibus Budget Reconciliation Act of 1993, further amended Section 8 of PL 93-134 by adding an income exclusion. Specifically, the amendment requires that up to \$2,000 per year of income derived from such interests and received by individual Indians will not be considered in determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program.

The proposed amendments implement and make specific the requirements of the federal law.

#### COST ESTIMATE

1. Costs or Savings to State Agencies: No additional costs or savings.
2. Costs to Local Agencies or School Districts: None.
3. Nondiscretionary Costs or Savings to Local Agencies: No additional costs or savings.
4. Federal Funding to State Agencies: None.

#### LOCAL MANDATE STATEMENT

These regulations do impose a mandate upon local agencies, but not on school districts. There are no state-mandated local costs in these regulations which require state reimbursement under Sections 17500 et seq. of the Government Code because any costs associated with the implementation of these regulations are costs mandated by the federal government within the meaning of Section 17513 of the Government Code.

#### AUTHORITY AND REFERENCE CITATIONS

CDSS adopts and amends these regulations pursuant to Sections 10553 and 10554 of the Welfare and Institutions Code. These regulations implement, interpret and make specific Section 8 of Public Law 93-134, Public Law 97-458, Section 2 of Public Law 98-64 and Section 13736 of Public Law 103-66 and implements provisions of federal action transmittals 91-23 and 93-14.

## INITIAL STATEMENT OF REASONS

a) Description of the Public Problem, Administrative Requirement, or Other Condition or Circumstance the Regulations Are Intended to Address

Public Law (PL) 97-458, enacted January 12, 1983, made several amendments to PL 93-134, enacted October 19, 1973, relating to the use or distribution of certain Indian judgement funds. One amendment was the addition of a new Section 8 to PL 93-134. Section 8 of PL 93-134 requires that interests of individual Indians in trust or restricted lands shall not be considered a resource in determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program.

Section 7 of PL 93-134 specified that in order for trust funds to be subject to the exclusion provisions, the funds must have been awarded in judgement to Indian Tribes as a result of successful claims against the United States. Section 2 of PL 98-64, enacted August 2, 1983 removed the requirement that such trust funds must derive from a judgement.

Section 13736 of PL 103-66, the Omnibus Budget Reconciliation Act of 1993, further amended Section 8 of PL 93-134 by adding an income exclusion. Specifically, the amendment requires that up to \$2,000 per year of income derived from such interests and received by individual Indians will not be considered in determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program.

Currently, regulations at MPP 42-213 and 44-111 only provide for the exclusion of tribal judgement funds held in trust or distributed per capita by the Secretary of the Interior. The Department is therefore proposing to amend these regulations by repealing existing language that requires exempt holdings to derive from judgement funds and adopting language which provides that in the determination of eligibility for Aid to Families with Dependent Children (AFDC), an income and property exclusion is to be applied to the interests of individual Indians which are held in trust or restricted lands.

b) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are NecessarySection 42-213.512Specific Purpose:

This amendment repeals language which specifies that in order for funds to be exempt as property, they must have been distributed per capita or held in trust as a result of a judgement. Existing Subsection (a) is deleted. Subsection (b) is divided and the first part is renumbered (a). The last part of this sentence remains (b). Subsection (c) is adopted to provide that individually owned trusts or restricted lands are excluded from consideration as property when determining eligibility for AFDC.

Factual Basis:

These amendments are necessary to effect compliance with PL 97-458 and the provisions of PL 98-64 as directed by FSA-AT-91-23, dated July 19, 1991. Further, the technical amendments are necessary for clarity and consistency in the presentation of the regulatory language.

Section 44-111.61 b.

Specific Purpose:

This amendment adopts the word "income" and repeals all language that refers to property.

Factual Basis:

This technical amendment is necessary to clarify and make specific the income exemption in determining eligibility for AFDC.

Section 44-111.61 b. (1)

Specific Purpose:

This amendment repeals language that requires funds to be distributed per capita or held in trust as a result of a judgement awarded in Indian claims Commission or U.S. Court.

Factual Basis:

This amendment is necessary to effect compliance with Section 2 of PL 98-64.

Section 44-111.61 b. (2)

Specific Purpose:

Subsection (2) is divided and the first part of the sentence is renumbered to (1). The last part of this sentence is renumbered to (2) and specifies that trusts must be held by the Secretary of the Interior.

Factual Basis:

These amendments are necessary to effect compliance with Section 2 of PL 98-64. These amendments also make the technical changes necessary for clarity and consistency with other changes in this section.

Section 44-111.61 c.

Specific Purpose:

This amendment adopts new language which provides for the exemption of income of individual Indians up to \$2,000 per year when derived from interests in trust or restricted lands. Subsection c. is adopted to provide that

individually owned trusts or restricted lands are excluded from consideration as property when determining eligibility for AFDC. Existing c. through k. is amended to d. through l., respectively, to allow for the addition of the new c.

Factual Basis:

This amendment is necessary to effect compliance with Section 13736 of PL 103-66.

c) Identification of Documents Upon Which Department Is Relying

- Federal Action Transmittal No. FSA-AT-91-23 dated July 1, 1991
- Federal Action Transmittal No. ACF-AT-93-14 dated September 15, 1993
- Public Law 93-134
- Public Law 97-458
- Public Law 98-64
- Public Law 103-66

d) Testimony and Response

[To be completed after the Public Hearing]

e) Local Mandate Statement

These regulations do impose a mandate upon local agencies, but not on school districts. There are no state-mandated local costs in these regulations which require state reimbursement under Sections 17500 et seq. of the Government Code because any costs associated with the implementation of these regulations are costs mandated by the federal government within the meaning of Section 17513 of the Government Code.

f) Statement of Potential Cost Impact on Private Persons or Businesses and of Alternatives Considered

CDSS has determined that there will be no adverse impact on businesses, private persons, other businesses or public agencies, including the ability of California businesses to compete with businesses in other states, because these regulations do not impact private persons or businesses.

CDSS must determine that no alternative considered would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected persons than the proposed action.

Amend Section 42-213.512 to read:

42-213 PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY  
WHICH MAY BE RETAINED (Continued)

42-213

.5 (Continued)

.51 Property which is mandatorily exempt under federal law includes, but is not limited to: (Continued)

.512 PL 93-134, PL 97-458 and PL 98-64 which exempt as property the funds of Native American tribes including interest earned from, investment income derived from and initial purchases made with such funds when the funds ~~are~~ have been:

~~(a) Distributed per capita or held in trust as a result of a judgement awarded by the Indian Claims Commission or U.S. Court of Claims;~~

~~(b)~~ Distributed by the Secretary of the Interior on a per capita basis; or

~~(b)~~ Held in trust by the Secretary of the Interior; or

~~(c)~~ Individually owned trusts or restricted lands.

.513 (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, 11155.1, 11155.2, 11155.5, and 11257, Welfare and Institutions Code; 45 CFR 233.20(a)(3)(i)(B) and (a)(4)(ii); Sidwell v. McMahon, United States District Court (E.D. Cal.) May 7, 1990, civil no. S-89-0445; ~~and~~ the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994; Public Laws 97-458 and 98-64; and Federal Action Transmittal 91-23.

Amend Section 44-111.61 to read:

44-111 PAYMENTS EXCLUDED OR EXEMPT FROM CONSIDERATION  
AS INCOME (Continued)

44-111

.6 (Continued)

.61 Income which is mandatorily exempt under federal law includes but is not limited to: (Continued)

b. PL 93-134, PL 97-458 and PL 98-64 which exempt as income ~~property~~ the funds of Native American tribes including interest earned from, and investment income derived from ~~and initial purchases made from~~ such funds when the funds ~~are~~ have been:

~~(1) Distributed per capita of held in trust as a result of a judgment awarded in Indian Claims Commission or U.S. Court of Claims;~~

~~(2) Distributed by the Secretary of the Interior on a per capita basis; or~~

~~(2) Held in trust/ by the Secretary of the Interior.~~

c. PL 103-66 which exempts, up to \$2,000 in any 12 consecutive month period, the income of individual Indians when such income is derived from individually owned interests in trust or restricted lands.

d. (Continued)

e. (Continued)

f. (Continued)

g. (Continued)

h. (Continued)

i. (Continued)

j. (Continued)

k. (Continued)

l. (Continued)



Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11008.15, 11280, and 11451.7, Welfare and Institutions Code; 42 USC Section 602(g)(1)(E)(i); Section 8, Public Law 93-134; Section 2, Public Law 98-64; Section 13736, Public Law 103-66; Section 202(a), Public Law 100-485 and Section 479B, Public Law 102-325; 45 CFR 233.20(a)(4)(ii); 45 CFR 233.20(a)(11)(v)(C); 45 CFR 255.3(f)(1); Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; and the Federal Terms and Conditions for the California Work Pays Demonstration Project as approved by the United States Department of Health and Human Services on March 9, 1994.